

This Official Notice of Sale and Instructions to Bidders (the “Official Notice of Sale”) does not alone constitute an offer to sell but is merely notice of sale of the Bonds described herein. The offer to sell such Bonds is being made by means of this Official Notice of Sale, the Official Bid Form, and the Preliminary Official Statement.

OFFICIAL NOTICE OF SALE

AND

INSTRUCTIONS TO BIDDERS

for the sale of

\$6,925,000

**TULSA PUBLIC FACILITIES AUTHORITY
CAPITAL IMPROVEMENTS REVENUE BONDS,
SERIES 2024**

Sealed Written Bids and Electronic Bids Will Be Received

March 28, 2024

until 10:30 a.m. local time

at

Office of the City Clerk, Suite 260

175 East 2nd Street

One Technology Center

Tulsa, Oklahoma 74103

Tammy Pitts

Director of Finance

City of Tulsa

(918) 596-7522

and

Electronic Bids submitted through the facilities of

PARITY

as described herein

**OFFICIAL NOTICE OF SALE
AND
INSTRUCTIONS TO BIDDERS
for the sale of**

**\$6,925,000
Tulsa Public Facilities Authority
Capital Improvements Revenue Bonds, Series 2024**

Notice is hereby given that sealed written bids and electronic bids (as described herein) will be received by the Tulsa Public Facilities Authority (hereinafter called the "Authority"), until 10:30 a.m., local time, on the 28th day of March, 2024, at its office in Tulsa, Oklahoma, for the purchase of Bonds of said Authority described as follows:

\$6,925,000 Tulsa Public Facilities Authority Capital Improvements Revenue Bonds, Series 2024 (the "Bonds") dated the date of delivery thereof, maturing, with interest, payable semi-annually, and secured as set forth in the Preliminary Official Statement attached hereto and made a part hereof.

Address and Delivery of Sealed Written Bids

Sealed written bids, plainly marked "Bids for Bonds of the Tulsa Public Facilities Authority to be sold March 28, 2024" should be addressed to "Ms. Tammy Pitts, Finance Director, City of Tulsa, Oklahoma, Attn: Office of the City Clerk, Suite 260, 175 East 2nd Street, One Technology Center, Tulsa, Oklahoma 74103". Bids shall be submitted on the "Official Bid Form", a copy of which is attached hereto.

Electronic Bids

Electronic Bids must be submitted through the facilities of PARITY, a system for accepting electronic bids. No other form of bid or provider of electronic bidding services will be accepted. Subscription to PARITY is required in order to submit an electronic bid and the Authority will neither confirm any subscription nor be responsible for any failure of a prospective bidder to subscribe. An electronic bid made through the facilities of PARITY shall be deemed to be an offer, in response to this Official Notice of Sale, and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the Authority. If any provisions of this Official Notice of Sale shall conflict with information provided by PARITY as the approved provider of electronic bidding services, this Official Notice of Sale shall control. Further information about PARITY, including any fee charged, may be obtained from the Authority or I-Deal LLC at 1359 Broadway, 2nd Floor, New York, NY, 10018 telephone (212) 849-5021.

Neither the Authority nor Bond Counsel shall be responsible for, and each bidder expressly assumes the risk of, any incomplete, inaccurate, or untimely bid submitted by Internet transmission by such bidder, including without limitation, by reason of garbled transmissions, mechanical failure, engaged telephone or telecommunications lines or any other cause arising from delivery by Internet transmission.

Time Stamp

The PARITY time stamp will govern the receipt of all bids. All bids will be deemed to incorporate the provisions of this Official Notice of Sale.

This Official Notice of Sale, and the information set forth herein, are not to be treated as a complete disclosure of all relevant information with respect to the Bonds. The information set forth herein is subject, in all respects, to a more complete description of the Bonds and the security therefore set forth in the Preliminary Official Statement.

THE BONDS

Purpose and Authorization

The Bonds are being issued by the Authority to provide funds for the purpose of (i) acquiring, constructing, equipping, furnishing, operating and maintaining stormwater management projects in the City of Tulsa; and (ii) to pay costs of issuance of the Bonds. The said Bonds shall be delivered, as soon as practicable, to BOKF, National Association, Tulsa, Oklahoma, (the "Trustee"), under the Master Bond Indenture dated as of May 1, 2020, as amended by the Third Supplemental Bond Indenture dated as of April 1, 2024, each by and between the Authority and the Trustee (the "Indenture"), securing them. Delivery of said Bonds shall be tendered at the Trustee under said Indenture, free of all charges and delivery expenses, fully authenticated or registered by said Trustee. The successful bidder shall be notified of the time of tender not less than five days prior to the date for tender and payment in full for said Bonds will be made at the time of tender.

Interest Payments and Maturities

The Bonds will be dated the date of delivery thereof and will be issued in the principal amount, mature on the dates and bear interest payable on the dates described below. Interest on the Bonds will be payable commencing on October 1, 2024 and continue on each April 1 and October 1 thereafter until the earlier of maturity or redemption.

The Bonds will mature serially on April 1 in each year as follows:

<u>Year</u>	<u>Principal Amount</u>
2025	\$245,000
2026	\$255,000
2027	\$265,000
2028	\$275,000
2029	\$285,000
2030	\$290,000
2031	\$300,000
2032	\$310,000
2033	\$320,000
2034	\$330,000

2035	\$340,000
2036	\$355,000
2037	\$365,000
2038	\$380,000
2039	\$395,000
2040	\$410,000
2041	\$425,000
2042	\$440,000
2043	\$460,000
2044	\$480,000

Optional Redemption of Bonds. The Bonds maturing on and after April 1, 2033 are subject to optional redemption by the Authority in whole or in part, on any date on or after April 1, 2032, on at least 30 days notice, at a redemption price equal to the principal amount thereof, plus accrued interest to the date of redemption.

Payment; Book-Entry Only

The Bonds will be issued in fully registered form and will be registered initially in the name of "Cede & Co" as nominee for The Depository Trust Company, New York, New York ("DTC"). Beneficial ownership interests will be recorded on the records of the participants in the DTC system ("Participants"). Persons for which Participants acquire interests in the Bonds (the "Beneficial Owners") will not receive certificates evidencing their interests in the Bonds so long as DTC or a successor securities depository acts as the securities depository with respect to the Bonds. So long as DTC or its nominee is the registered owner of the Bonds, payments of principal and interest on the Bonds, as well as notices and other communications made by or on behalf of the Authority, will be made to DTC or its nominee only. Disbursement of such payments, notices, and other communications by DTC to Participants, and by Participants to the Beneficial Owners, is the responsibility of DTC and the Participants pursuant to rules and procedures established by such entities.

Bidding Details

Each bidder shall designate a rate of interest per annum to be paid on principal maturity amounts (ie., a "coupon"). The Bonds will be sold in one block, all or none, and no bid of less than par shall be considered. However, such designation of a rate of interest shall be subject to the following limitations;

- (a) all Bonds of the same maturity must bear the same rate of interest and no one Bond shall bear more than one rate of interest; and
- (b) No bid for purchase of less than all of the Bonds will be considered; and
- (c) No interest rate may be specified which is not a multiple of one-eighth (1/8th) or one-twentieth (1/20th) of one percent (1%); and

(d) any premium above the par bid for the Bonds, if any, shall not exceed \$207,750.00 (3% of the principal amount of the Bonds) ; and

(e) bidders will not be able to submit a bid unless a wire, certified or cashier's check has been received as described herein under the caption "Good Faith Deposit."

Basis of Award

Bonds will be sold in accordance with the provisions of Title 60, Oklahoma Statutes 2021, Sections 176 to 180.3, inclusive, as amended and supplemented. For the purpose of awarding the Bonds, the lowest True Interest Cost of each bid shall be computed by determining, at the rate or rates specified therein, the True Interest Cost. "True Interest Cost" shall mean that rate which when used to discount each amount of principal and interest payable in relation to the Bonds will produce a present value precisely equal to the amount of bond proceeds received by the Authority in exchange for the Bonds (including any premium payable to the Authority). Unless all bids are rejected, the Bonds shall be awarded to the bidder whose bid, on the basis of the above computations, produces the lowest True Interest Cost to the Authority as determined by the Authority in its sole discretion.

The Authority reserves the right to reject any or all bids and to determine the best bid in its sole discretion and to waive any informality in any bid.

At the time of delivery, the Authority will furnish to the purchaser without cost, the written approving opinion of Hilborne & Weidman, Bond Counsel, Tulsa, Oklahoma, evidencing the legality of the Bonds. The transcript of proceedings on which said opinion is based and a certificate of non-litigation affecting the legality of the Bonds or the right of the Authority to issue the Bonds will be available for inspection by the purchaser at delivery and will be transmitted to the purchaser upon completion and binding.

The apparent low bid will be unofficially determined by the Authority and announced to the bidder by telephone promptly after the bidding deadline at 10:30 a.m. Central Standard Time, on the Bid Date, March 28, 2024. If the apparent winning bidder used an electronic bid, then upon notice, such apparent winning bidder will immediately forward to the Authority, via facsimile and U.S. Express Mail a signed and executed winning bid form (as such form is attached hereto as Exhibit A) stating the terms of their bid. The Trustees of the Authority will officially award the sale of the Bonds or reject all Bids at their scheduled meeting at 4:00 p.m. Central Standard Time, March 28, 2024.

Delivery

Delivery of the Bonds to DTC shall be made at the expense of the purchaser against payment in federal funds of not less than par plus any premium bid.

Standard Filings and Charges

The winning bidder will be required to make the standard filings and maintain the appropriate records routinely required pursuant to MSRB Rules G-8, G-11 and G-36. The winning bidder will be required to pay the standard MSRB charge for Bonds purchased. In addition, those who are members of the Bond Market Association ("BMA ") will be required to pay BMA's standard bond charge.

Good Faith Deposit

Each bid shall be accompanied by a deposit ("Deposit") in the form of a wire transfer, certified or cashier's check in the amount of two percent of the aggregate principal amount of the Bonds (\$138,500.00), payable to the order of the Authority, as evidence of the good faith of the bidder.

If a certified or cashiers check is used, it must be on a bank or trust company payable to the Authority. If a wire transfer is used, the wire instructions can be obtained by contacting Mr. Andrew Martinez at (918) 576-5542. (andrewmartinez@cityoftulsa.org). The Deposit or wire transfer must be submitted to the Authority by 10:00 a.m. Central Standard Time on March 28, 2024 to the Director of Finance of the City of Tulsa, Oklahoma at the following address: Tammy Pitts, Director of Finance, City of Tulsa, Oklahoma, Attn: Office of the City Clerk, Suite 260, 175 East 2nd Street, One Technology Center, Tulsa, Oklahoma 74103; with the envelope marked on the outside substantially as follows: "Good Faith Deposit for Tulsa Public Facilities Authority Capital Improvement Revenue Bonds, Series 2024".

The Deposit of the successful bidder will be retained by the Authority pending delivery of the Bonds. All other certified checks, cashier checks or wires will be returned promptly. No interest will be allowed on any Deposit. If the successful bidder shall fail or refuse to comply with his bid, it is agreed that the amount of said Deposit constitutes the damages to the Authority by reason of such failure or refusal, and said Deposit may be retained by the Authority as liquidated damages therefor. Otherwise the Deposit will be applied to the purchase price of the Bonds in order to obtain good funds on the date of delivery or returned at delivery.

Right to Reject Bids; Waive Irregularities

The Authority reserves the right, in its discretion, to reject any and all bids and, to the extent permitted by law, to waive any irregularity or nonconformity in any bid.

Delivery and Payment; Book-Entry Only

Delivery of the Bonds is expected to be made in the name of Cede & Co., as nominee of The Depository Trust Company in New York, New York on or about April 9, 2024 and will be available to the winning bidder in book-entry form only as more fully set forth in the Preliminary Official Statement for the Bonds. Delivery of the Bonds to DTC shall be made at the expense of the purchaser against payment in federal funds in Tulsa, Oklahoma of not less than par, plus any premium bid. Any expense of providing federal funds shall be borne by the winning bidder.

Right of Cancellation

The winning bidder shall have the right, at its option, to cancel the contract of purchase if the Authority shall fail to deliver the Bonds within 60 days from the date of sale thereof, and in such event the winning bidder shall be entitled to the return of the Deposit accompanying its bid.

CUSIP Numbers

It is anticipated that CUSIP numbers will be printed on the Bonds, but neither failure to print such numbers on any Bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the winning bidder thereof to accept delivery of and pay for the Bonds in accordance with the terms hereof. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid for by the winning bidder including the CUSIP Service Bureau charge for the assignment of said numbers.

Official Statement

The Authority has authorized the use of a Preliminary Official Statement relating to the Bonds dated as of March 13, 2024 in connection with the sale of the Bonds. The Preliminary Official Statement has been "deemed final" by the Authority for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, with the exception of "Permitted Exceptions," as defined in said rule. Upon the sale of the Bonds, the Authority will complete a final Official Statement (the "Official Statement") substantially in the same form as the Preliminary Official Statement subject to such amendments as are necessary.

The Authority covenants to provide the final Official Statement to the purchaser within seven business days after final agreement to purchase, offer, or sell the Bonds in an offering and in sufficient time to accompany any confirmation that request payment from any customer. Not more than 100 copies of the Official Statement of the Bonds will be supplied to the winning bidder, at the expense of the Authority. Copies of the Official Statement in excess of the above stated amounts may be obtained at the expense of such winning bidder. These provisions have been made by the Authority in order to assist the Purchaser in complying with S.E.C. Rule 15c2-12. The Preliminary Official Statement, may be viewed on and obtained from i-Deal Prospectus at www.i-dealprospectus.com, telephone (212)849-5024.

Approving Opinion

Bids may be submitted subject to the approving opinion of Hilborne & Weidman, a professional corporation, Tulsa, Oklahoma, in the form set forth in the Preliminary Official Statement, which shall be provided by the Authority, without cost to the winning bidder.

Continuing Disclosure

In order to assist bidders in complying with S.E.C. Rule 15c2-12(b)(5), the Authority will undertake, pursuant to a Continuing Disclosure Certificate, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Preliminary Official Statement

and will also be set forth in the final Official Statement. Such Continuing Disclosure Certificate will be delivered at closing by the Authority.

Ratings in Effect

Each bid will be understood to be conditioned upon there being in place at the date of delivery of the Bonds the same (or higher) rating or ratings, if any, as were in place with respect to the Bonds on the Bid Date.

Change in Tax Exempt Status

At any time before the Bonds are tendered for delivery, the winning bidder may disaffirm and withdraw its proposal if the interest received by private holders of obligations of the same type and character of the Bonds (as determined by Bond Counsel) shall be declared to be includable in gross income under present federal income tax laws, either by a ruling of the Internal Revenue Service or by a decision of any federal court, or shall be declared taxable by the terms of any federal income tax law enacted subsequent to the date of this Official Notice of Sale.

Information required from Winning Bidder; Reoffering Price

By making a bid for the Bonds, the winning bidder agrees; (a) to provide to the Authority, in writing, immediately upon being officially awarded the Bonds, the purchase price, reoffering yield(s), and other related information necessary for completion of the final Official Statement; (b) to disseminate to all members of the underwriting syndicate copies of the Official Statement, including any supplements prepared by the Authority; (c) to promptly file a copy of the final Official Statement, including any supplements prepared by the Authority, with each Nationally Recognized Municipal Securities Information Repository and with EMMA, the Municipal Securities Rulemaking Board website; and (d) to take any and all other actions necessary to comply with applicable Securities and Exchange Commission and Municipal Securities Rulemaking Board rules governing the offering, sale and delivery of the Bonds to the ultimate purchaser.

Establishing the Initial Offering Price for the Bonds

In order to provide the Authority with information required to enable it to comply with certain conditions of the Internal Revenue Code of 1986, as amended (the "Code") relating to the exclusion of interest on the Bonds from the gross income of their owners, the winning bidder will be required to complete, execute, and deliver to the Authority (within 5 business days of the date on which the 10% test, as defined below, is satisfied) a certification as to their "issue price" (the "Issue Price Certificate") in the form and to the effect attached hereto or accompanying this Official Notice of Sale. In the event the successful bidder will not reoffer the Bonds for sale to the "public" any maturity by the Closing Date, the Issue Price Certificate may be modified in a manner approved by the Authority. Each bidder, by submitting its bid, agrees to complete, execute, and timely deliver the Issue Price Certificate, if its bid is accepted by the Authority. It will be the responsibility of the winning bidder to institute such syndicate reporting requirements, to make such investigation, or otherwise to ascertain the facts necessary to enable it to make such certification with reasonable certainty.

For purposes of this section of this Official Notice of Sale:

(i) “public” means any person other than an underwriter or a related party,

(ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Authority (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),

(iii) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other)

In connection with the dissemination of this Official Notice of Sale, the Authority represents that (i) this Official Notice of Sale is disseminated to potential underwriters in a manner that is reasonably intended to reach potential underwriters; and (ii) all bidders are provided with an equal opportunity to bid. Any bid submitted pursuant to this Official Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid. The winning bidder shall confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder.

In the event that the Competitive Sale Requirements are not satisfied, bids will not be subject to cancellation and the Authority will establish issue price of the Bonds based on the first price at which 10% of each maturity of the Bonds (such conditions are hereinafter, the “10% test”) is sold to the public.

The winning bidder agrees to promptly report to the Authority the prices at which at least 10% of each maturity of the Bonds have been sold to the public. That reporting obligation shall continue until 10% of each maturity of the Bonds is sold to the public, whether or not the Closing Date has occurred. By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public, if and for so

long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder or such underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public, if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.

Blue Sky Laws

The winning bidder will be responsible for the clearance or exemption with respect to the status of the Bonds for sale under the securities or "Blue Sky" laws of the several states and the preparation of any surveys or memoranda in connection therewith.

Governing Law

This Official Notice of Sale, and upon the acceptance of a bid from the purchaser of the Bonds by the Authority in accordance with the terms of this Official Notice of Sale, the resulting contract for the purchase of said Bonds, shall be deemed to have been made in Oklahoma and shall be governed by and construed and interpreted under the laws of the State of Oklahoma applicable to contracts made and performed in the State of Oklahoma. Additionally, the Bonds shall be governed by and construed in accordance with the laws of the State of Oklahoma.

Additional Information

A Preliminary Official Statement relating to the issue, the Official Notice of Sale and Instructions to Bidders and Official Bid Forms, may be viewed on and obtained from i-Deal Prospectus at www.i-dealprospectus.com, telephone (212)849-5024. A Preliminary Official Statement relating to the issue, the Official Notice of Sale and Official Bid Forms and other information concerning the proposed financing may also be procured, on request, from the Authority at the following address: Tammy Pitts, Director of Finance, City of Tulsa, Oklahoma, Attn: Office of the City Clerk, Suite 260, 175 East 2nd Street, One Technology Center, Tulsa, Oklahoma, 74103: telephone: (918) 596-7522.

Dated this 13th day of March, 2024

/s/ Kathy Taylor

Chair of Trustees

OFFICIAL BID FORM

Honorable Chair
Tulsa Public Facilities Authority

Gentlemen:

March 28, 2024

For your \$6,925,000 Capital Improvements Revenue Bonds, Series 2024, described in your Official Notice of Sale and Preliminary Official Statement which is expressly made a part hereof, we will pay you, in federal funds, par, plus a premium of \$_____, the Bonds to mature in the principal amounts and bear interest at the annual interest rates as set forth on the attached Exhibit "A".

Payment in federal funds for the Bonds in accordance with the above terms will be made upon their tender to us, free and clear of any bank charges or delivery expenses at the Depository Trust Company, provided we are furnished with the approving opinion of Hilborne & Weidman, a professional corporation, Tulsa, Oklahoma whose opinion shall be provided at no cost to us.

We have previously delivered our wire transfer, certified or cashier's check, in the sum of One Hundred Thirty Eight Thousand Five Hundred and No/100s Dollars (\$138,500.00) to be held by you uncashed and to be forfeited to you as liquidated damages in the event we fail or refuse to comply with this agreement, said Deposit to be returned to us (a) immediately if this proposal is rejected, or (b) after sixty (60) days from this date, if demanded by us, in the event you are unable to comply with the above provisions.

If prior to delivery of these Bonds, the interest received from bonds of the same type and character, shall be subject to Federal income taxation by ruling, decisions, or law, we may, at our election, be relieved of our obligation under this contract and in such case the Deposit will be returned.

The Authority will undertake, pursuant to a Continuing Disclosure Certificate, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Final Official Statement.

We have calculated the True Interest Cost of the Bonds in accordance with the Official Notice of Sale and such True Interest Cost for our bid to the Authority as set forth on Exhibit "A" is as follows:

True Interest Cost _____%

Respectfully submitted,

Name: _____

By: _____

Account Manager

Phone: _____

Accepted this 28th day of March, 2024.

WITNESS OUR OFFICIAL HAND AND SEAL:

ATTEST:

Secretary of Trustees

Chair of Trustees

(SEAL)

**EXHIBIT A
TO OFFICIAL BID FORM**

This Exhibit A is attached to and made a part of the bid of _____
_____ for the purchase of the \$_____,000 Tulsa Public Facilities Authority Capital
Improvement Revenue Bonds, Series 2024.

\$245,000.00	Bonds maturing April 1, 2025:	_____%
\$255,000.00	Bonds maturing April 1, 2026:	_____%
\$265,000.00	Bonds maturing April 1, 2027:	_____%
\$275,000.00	Bonds maturing April 1, 2028:	_____%
\$285,000.00	Bonds maturing April 1, 2029:	_____%
\$290,000.00	Bonds maturing April 1, 2030:	_____%
\$300,000.00	Bonds maturing April 1, 2031:	_____%
\$310,000.00	Bonds maturing April 1, 2032:	_____%
\$320,000.00	Bonds maturing April 1, 2033:	_____%
\$330,000.00	Bonds maturing April 1, 2034:	_____%
\$340,000.00	Bonds maturing April 1, 2035:	_____%
\$355,000.00	Bonds maturing April 1, 2036:	_____%
\$365,000.00	Bonds maturing April 1, 2037:	_____%
\$380,000.00	Bonds maturing April 1, 2038:	_____%
\$395,000.00	Bonds maturing April 1, 2039:	_____%
\$410,000.00	Bonds maturing April 1, 2040:	_____%
\$425,000.00	Bonds maturing April 1, 2041:	_____%
\$440,000.00	Bonds maturing April 1, 2042:	_____%
\$460,000.00	Bonds maturing April 1, 2043:	_____%
\$480,000.00	Bonds maturing April 1, 2044:	_____%

True Interest Cost _____%

Name: _____

By: _____

Account Manager

EXHIBIT B
ISSUE PRICE CERTIFICATE

The undersigned, as the purchaser (the “Purchaser”) with respect to the purchase at competitive sale of the Capital Improvement Revenue Bonds, Series 2024 of the Tulsa Public Facilities Authority (the “Authority”) in the principal amount of \$6,925,000.00 (the “Bonds”), hereby certify and represent, based on its records and information, as follows:

(Sales where at least 3 bids are received from potential purchasers)

(a) On the first day on which there was a binding contract in writing for the purchase of the Bonds by the Purchaser, the Purchaser’s reasonably expected initial offering prices of each maturity of the Bonds with the same payment and credit terms (the “Expected Offering Prices”) to a person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter are as set forth in the pricing wire or equivalent communication for the Bonds, as attached to this Certificate as Schedule A. The Expected Offering Prices are the prices for the Bonds used by the Purchaser in formulating its bid to purchase the Bonds.

(b) The Purchaser had an equal opportunity to bid to purchase the Bonds and it was not given the opportunity to review other bids that was not equally given to all other bidders.

(c) The bid submitted by the Purchaser constituted a firm bid to purchase the Bonds.

(Sales where less than 3 bids are received from potential purchasers)

(a) [Other than the Bonds maturing in _____, (the “Undersold Maturities”), the] The first price at which at least ten percent (“Substantial Amount”) of the principal amount of each maturity of the Bonds having the same credit and payment terms (“Maturity”) was sold to a person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter (“Public”) are the initial offering prices (the “Initial Offering Prices”), as listed in the pricing wire or equivalent communication for the Bonds that is attached to this Certificate as Schedule A.

(Add (b) and (c) only if there are Undersold Maturities)

(b) On or before the first day on which there is a binding contract in writing for the sale of the Bonds (“Sale Date”), the Purchaser offered to the Public each Maturity of the Undersold Maturities at the Initial Offering Prices as listed in the pricing wire or equivalent communication for the Bonds that is attached to this Certificate as Schedule A.

(c) Pursuant to the terms of the Official Notice of Sale and Instructions to Bidders and upon delivery and acceptance of the bid form, the Purchaser thereby agreed and hereby agrees to neither offer nor sell any of the Undersold Maturities to any person at any higher price than the Initial Offering Price for such Maturity until the earlier of the close of the fifth business day after the Sale Date or the date on which the Purchaser sells a Substantial Amount of a Maturity of the Bonds to the Public at no higher price than the Initial Offering Price for such Maturity.

The undersigned understands that the foregoing information will be relied upon by the Authority with respect to certain of the representations in the No-Arbitrage and Use of Proceeds Certificate and with compliance with the federal income tax rules affecting the Bonds, and by Hilborne & Weidman, a professional corporation, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes and for other purposes.

Executed and delivered as of this ____ day of _____, 2024.

Name:

Title:

SCHEDULE A TO ISSUE PRICE CERTIFICATE
PRICING WIRE OR EQUIVALENT COMMUNICATION

NEW ISSUE

BOOK-ENTRY ONLY

In the opinion of Bond Counsel, under existing statutes, regulations, published rulings and judicial decisions, interest on the Series 2024 Bonds (including any original issue discount properly attributable to an owner thereof) is excludable from the gross income of the recipients thereof for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”). Interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax imposed on individuals under the Code; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations for tax years beginning after December 31, 2023. In the opinion of Bond Counsel, interest on the Series 2024 Bonds is exempt from Oklahoma income taxation. See the information contained herein under the caption “CERTAIN TAX MATTERS RESPECTING THE SERIES 2024 BONDS”

\$6,925,000

**TULSA PUBLIC FACILITIES AUTHORITY
(Tulsa, Oklahoma)**

**CAPITAL IMPROVEMENTS REVENUE BONDS, SERIES 2024
(Subject to annual appropriation)**

Dated: Date of Delivery

Due: April 1, as shown on the inside cover

The Tulsa Public Facilities Authority (the “Authority”) is issuing its Capital Improvements Revenue Bonds, Series 2024 (the “Series 2024 Bonds”) for the purpose of acquiring, constructing, equipping, furnishing, operating and maintaining stormwater management projects in the City of Tulsa, (the “Project”) and to pay the costs and expenses of issuing the Series 2024 Bonds. Interest on the Series 2024 Bonds is payable on each April 1 and October 1, commencing October 1, 2024. The Series 2024 Bonds will be issued and registered in the name of Cede & Co., as nominee of the Depository Trust Company, New York, New York (“DTC”), to which all payments of principal and interest will be made. Beneficial Owners (as defined herein) will acquire beneficial interests in the Series 2024 Bonds, in principal amounts of \$5,000 and integral multiples thereof, by book-entry only. Beneficial Owners of the Series 2024 Bonds will not receive physical delivery of bond certificates. The Series 2024 Bonds will not be transferable or exchangeable, except for transfers to another nominee of DTC or otherwise as described herein. See “The Series 2024 Bonds-Book-Entry-Only System” herein.

The Series 2024 Bonds are being issued pursuant to a Master Bond Indenture dated as of April 1, 2024 as supplemented and amended by a Second Supplemental Bond Indenture dated as of April 1, 2024 (collectively the “Bond Indenture”) each between the Tulsa Public Facilities Authority (the “Authority”) and BOKF, National Association, Tulsa, Oklahoma, as trustee. The Series 2024 Bonds are special and limited obligations of the Authority payable by the Authority from and secured by a pledge of (i) the payments from the City pursuant to the Projects Agreement (ii) all funds and accounts established by the Bond Indenture, including the income derived from the investment thereof, if any, and the proceeds of the Series 2024 Bonds, until expended, (iii) the security interests created, given, granted, assigned, pledged and conveyed by and subject to the terms of the Bond Indenture, and (iv) the present and hereinafter acquired interests of the Authority in and to the Projects Agreement, dated as of April 1, 2024, by and between the City of Tulsa, Oklahoma (the “City”) and the Authority (the “Projects Agreement”), and all other contracts and agreements which are pledged to the Trustee under the Bond Indenture as security for the Series 2024 Bonds.

The Series 2024 Bonds mature on and after April 1, 2033 are subject to redemption prior to maturity, as described herein. See “The Series 2024 Bonds – Redemption of the Series 2024 Bonds”.

See “Risks of Bondowners” for a discussion of certain factors that should be considered by prospective purchasers in evaluating an investment in the Series 2024 Bonds.

The Series 2024 Bonds do not constitute obligations or debts of the State of Oklahoma, Tulsa County, Oklahoma, the City of Tulsa, Oklahoma or any municipality, county, political subdivision, governmental unit or agency of the State of Oklahoma, or personal obligations of the Trustees of the Authority or general obligations of the Authority, but are limited and special obligations of the Authority payable solely from monies received from the City pursuant to the Projects Agreement, and certain other funds and monies as more fully described herein. Neither the faith and credit nor the taxing power of the State of Oklahoma, any county, municipality, political subdivision or governmental unit or agency thereof or of the City of Tulsa, Oklahoma, is or shall be pledged to the payment of the principal of or interest on the Series 2024 Bonds. **THE AUTHORITY HAS NO TAXING POWER.**

The Series 2024 Bonds are offered when, as and if issued, subject to prior sale, to withdrawal or modification of the offer without notice, and to the approval of legality by Hilborne & Weidman, a professional corporation, Tulsa, Oklahoma, Bond Counsel. Certain legal matters will be passed upon for the Authority and the City by the office of Jack Blair, City Attorney of the City of Tulsa, Oklahoma. It is expected that the Series 2024 Bonds in definitive form will be available for delivery to the Trustee on behalf of DTC in New York, New York on or about April 9, 2024.

Principal Amount	Maturity April 1,	Interest Rate	Yield	CUSIP
\$ 245,000.00	2025			
255,000.00	2026			
265,000.00	2027			
275,000.00	2028			
285,000.00	2029			
290,000.00	2030			
300,000.00	2031			
310,000.00	2032			
320,000.00	2033			
330,000.00	2034			
340,000.00	2035			
355,000.00	2036			
365,000.00	2037			
380,000.00	2038			
395,000.00	2039			
410,000.00	2040			
425,000.00	2041			
440,000.00	2042			
460,000.00	2043			
480,000.00	2044			

CUSIP numbers have been assigned to this issue by S&P's CUSIP Service Bureau, a division of McGraw-Hill Companies, Inc., and are included solely for the convenience of the owners of the Series 2024 Bonds. Neither the Authority nor the Underwriter shall be responsible for the selection or correctness of the CUSIP numbers set forth above.

REGARDING USE OF THE PRELIMINARY OFFICIAL STATEMENT

The Series 2024 Bonds are offered only by means of this Preliminary Official Statement. This Preliminary Official Statement does not constitute an offering of any security other than the Series 2024 Bonds specifically offered hereby. It does not constitute an offer to sell or a solicitation of an offer to buy the Series 2024 Bonds in any state or jurisdiction to any person to whom it is unlawful to make such offer, solicitation or sale, and no dealer, broker, salesman or other person has been authorized to make such unlawful offer, solicitation or sale. No dealer, broker, salesman or other person has been authorized to be given any information or to make any representations other than those contained in the Preliminary Official Statement in connection with the offering of the Series 2024 Bonds and, if given or made, such other information or representations must not be relied upon.

The Series 2024 Bonds will not be registered under the Securities Act of 1933, as amended, and the Authority does not intend to list the Series 2024 Bonds on any stock or other securities exchange. The Securities and Exchange Commission has not passed upon the accuracy or adequacy of this Preliminary Official Statement. With respect to the various States in which the Series 2024 Bonds may be offered, no attorney general, state official, state agency or bureau, or other state or local governmental entity has passed upon the accuracy or adequacy of this Preliminary Official Statement or passed on or endorsed the merits of this offering of Series 2024 Bonds.

All references made herein to the Series 2024 Bonds are qualified in their entirety by reference to the Bond Indenture (as hereinafter defined). All references made herein to the Bond Indenture are qualified in their entirety by reference to such complete documents, original counterparts of which are on file in the offices of the Authority, 175 East 2nd Street, Tulsa, Oklahoma and the corporate trust offices of BOKF, National Association, Tulsa, Oklahoma, as Trustee.

The information contained in this Preliminary Official Statement, including the cover page and Exhibits hereto, has been obtained from the Authority and other sources which are believed to be reliable but is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by any of such sources as to information from any other source. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Preliminary Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Authority or the City since the date hereof. This Preliminary Official Statement is submitted in connection with the sale of securities as referred to herein and may not be reproduced or used in whole or in part for any other purpose. The delivery of this Preliminary Official Statement does not at any time imply that information herein is correct as of any time subsequent to its date.

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Our independent auditor has not been engaged to perform, and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Our independent auditor also has not performed any procedures relating to this Preliminary Official Statement.

PRELIMINARY OFFICIAL STATEMENT
\$6,925,000
TULSA PUBLIC FACILITIES AUTHORITY
(Tulsa, Oklahoma)
CAPITAL IMPROVEMENTS REVENUE BONDS, SERIES 2024
(Subject to annual appropriation)
INTRODUCTION

This Preliminary Official Statement, including the cover page and Exhibits, is being provided by the Trustees of the **TULSA PUBLIC FACILITIES AUTHORITY** (the "**Authority**"), in connection with the issuance of the Authority's \$6,925,000 Capital Improvements Revenue Bonds, Series 2024 (the "Series 2024 Bonds"). The Authority is a public trust created pursuant to a Trust Indenture, dated March 10, 1981, as amended for the use and benefit of the City of Tulsa, Oklahoma (the "City") under authority of and pursuant to the provisions of Title 60, Oklahoma Statutes 2011, Sections 176 to 180.3, inclusive, as amended and supplemented, (the "Act"), the Oklahoma Trust Act and other applicable statutes of the State of Oklahoma (the "State"). The Series 2024 Bonds are being issued under the provisions of a Master Bond Indenture dated as of March 1, 2024 as supplemented and amended by a Second Supplemental Bond Indenture dated as of March 1, 2024 (collectively the "Bond Indenture"), each by and between the Authority and BOKF, National Association, Tulsa, Oklahoma, as Trustee (the "Trustee").

The proceeds of the Series 2024 Bonds, together with certain other funds of the City will be used for the purpose of acquiring, constructing, equipping, furnishing, operating and maintaining stormwater management projects in the City of Tulsa, (the "Project"), and to pay the costs and expenses of issuing the Series 2024 Bonds; For further information on the Project, see "PLAN OF FINANCING AND ADDITIONAL BONDS TO BE ISSUED" and "SOURCES AND USES OF FUNDS" herein. Capitalized words or phrases which are not defined herein have the meaning given such words or phrases in the Bond Indenture.

The City and the Authority have entered into a Projects Agreement dated as of April 1, 2024 (the "Projects Agreement") whereby the Authority has agreed to issue the Series 2024 Bonds and the City has covenanted and agreed, to the extent that funds are available to and duly appropriated by the City for said purpose to make payments from available funds of the City, at such times and in such amounts as may be necessary to pay the principal of the Series 2024 Bonds when due, (whether upon the schedule due date, upon redemption, purchase, acceleration or otherwise) and all interest accrued thereupon.

The City's obligation under the Projects Agreement is expected to be funded from its receipt of fees and charges on the City's stormwater management system (the "Stormwater System") see "THE PLAN OF FINANCING" herein. Although the City expects to receive fees and charges on its Stormwater System to pay the debt service on the Series 2024 Bonds and the operation and maintenance expenses of the Stormwater System, the City's obligation under the Projects Agreement is not limited by the sufficiency of such fees and charges and the City's obligation under the Projects Agreement must be met by any and all available funds of the City.

The initial term of the Projects Agreement as it relates to the City's covenants and agreements ends June 30, 2024, the end of the City's fiscal year. The Projects Agreement may be renewed for successive annual periods commencing July 1, 2024, at the option of the City, upon written notice of the exercise of each such option from the City to the Authority given prior to the expiration of the then current term and the taking by the City of such official action as shall be required by applicable laws to effect such renewal and annual appropriation. Notice of such renewal shall be provided to the Trustee and the Authority, not later than July 31 of each year. The Authority has assigned the funds payable under the Projects Agreement to the Trustee pursuant to the terms of the Bond Indenture.

Notwithstanding anything to the contrary contained in the Projects Agreement, if the City does not appropriate funds to be paid to the Authority pursuant to the Projects Agreement for any fiscal year (other than the first fiscal year) during the term of the Projects Agreement, the City shall not be obligated to make payments for such non-appropriated fiscal year. In such event, it is unlikely that the Authority would be able to pay the debt service on the Series 2024 Bonds. The City shall notify the Authority in writing of any such non-appropriation as soon as the City so determines.

Included as Exhibit A attached hereto is the Basic Financial Statements of the City of Tulsa, Oklahoma for the year ended June 30, 2023. Exhibit B attached hereto is the Basic Financial Statements for the Authority for the year ended June 30, 2023. Exhibits A and B should be read in their entirety.

The Series 2024 Bonds are special obligations of the Authority secured by a pledge of the (i) payments from the City pursuant to the Projects Agreement; (ii) all funds and accounts established by the Bond Indenture; (iii) the income from the investment of moneys held under the Bond Indenture; derived by the Authority and deposited in the funds and accounts of the Authority pursuant to the Bond Indenture; and (iv) the present and hereinafter acquired interests of the Authority in and to the Projects Agreement and all other contracts and agreements which are pledged to the Trustee under the Bond Indenture as security for the Series 2024 Bonds. The Series 2024 Bonds and all other bonds of the Authority issued pursuant to the terms of the Bond Indenture are referred to herein as the Bonds. See "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE" on Exhibit "D" attached hereto. The Series 2024 Bonds will be secured under the Bond Indenture. See "RISKS OF BONDOWNERS" herein.

The payment of the principal of and interest on the Series 2024 Bonds does not constitute an indebtedness or liability of the State of Oklahoma or any political subdivision thereof, the City, or the individual trustees of the Authority. The issuance of the Series 2024 Bonds does not directly or indirectly obligate the State of Oklahoma, any political subdivision thereof, or the City to provide any funds for the payment of the Series 2024 Bonds. The Series 2024 Bonds do not currently and shall never be considered a debt of the State of Oklahoma, any political subdivision thereof or the City within the meaning of the Constitution or the statutes of the State of Oklahoma, and do not currently and shall never constitute a charge against the credit or taxing power of the State, any political subdivision thereof or the City. Neither the State of Oklahoma, any political subdivision thereof nor the City shall be liable for the payment of the principal of and interest on the Series 2024 Bonds or for the performance of any agreement or covenant of any kind which may be undertaken by the Authority. No breach by the Authority of any covenant or agreement shall create any obligation upon the State of Oklahoma or any political subdivision thereof or the City, including any charge against their credit or taxing power. **THE AUTHORITY HAS NO TAXING POWER.**

SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS

The Series 2024 Bonds are special obligations of the Authority secured by a pledge of the (i) payments from the City pursuant to the Projects Agreement; (ii) all funds and accounts established by the Bond Indenture; (iii) the income from the investment of moneys held under the Bond Indenture; derived by the Authority and deposited in the funds and accounts of the Authority pursuant to the Bond Indenture; and (iv) the present and hereinafter acquired interests of the Authority in and to the Projects Agreement and all other contracts and agreements which are pledged to the Trustee under the Bond Indenture as security for the Series 2024 Bonds.

In consideration of the issuance of the Series 2024 Bonds and implementation of the Series 2024 Projects by the Authority, the City agrees, subject to availability of funds in excess of those funds necessary to efficiently and sufficiently meet the operational expenditures for general City government and in excess of any funds available for payment of other outstanding revenue bonds, to make payments from available funds of the City at such times and in such amounts as may be necessary to pay the principal of the Series 2024 Bonds when due (whether upon the scheduled due date, upon redemption, purchase or acceleration or otherwise) and all accrued interest thereon.

The payments made by the City shall hereinafter be referred to as the Project Payments. All such Project Payments shall not be subject to set-off or counterclaim by the City and shall be used as set forth in the Bond Indenture and shall be in such amounts as are necessary for the payment when due (whether upon the scheduled due date, upon redemption, purchase, or acceleration, or otherwise) of (a) principal of and interest on the Series 2024 Bonds coming due at such time and (b) all other amounts due under the Bond Indenture.

The initial term of the Projects Agreement ends June 30, 2024, the end of the City's fiscal year. The Projects Agreement may be renewed for successive annual periods commencing July 1, 2024, at the option of the City, upon written notice of the exercise of each such option from the City to the Authority given prior to the expiration of the

then current term and the taking by the City of such official action as shall be required by applicable laws to effect such renewal and annual appropriation. Notice of such renewal shall be provided to the Trustee and the Authority, not later than July 31 of each year. The Authority has assigned the funds payable under the Projects Agreement to the Trustee pursuant to the terms of the Bond Indenture.

The Authority shall deposit the Revenues into the Revenue Fund established under the Bond Indenture as received and as soon as practicable in each month after the deposit of Revenues in the Revenue Fund, the Trustee shall (i) withdraw from the Revenue Fund and deposit in the Bond Fund for credit to the Bond Service Account, the amount, if any, required so that the balance in said Account shall equal the Accrued Aggregate Bond Service; provided that, for the purpose of transfers from the Revenue Fund to the Bond Fund, there shall be credited the amount transferred from the Construction Interest Account to the Bond Service Account and any other amounts in the Bond Service Account derived from the proceeds of the Bonds for payment of interest on Bonds, if required by a Supplemental Bond Indenture, or an amount of Bond proceeds to be applied for such purpose by a Supplemental Bond Indenture (ii) withdraw from the Revenue Fund and pay to the persons entitled thereto, any fees and expenses due to the Trustee or the Authority as may be due and payable during such monthly period as set forth in the Bond Indenture, or any Supplemental Bond Indenture; and (iii) any excess Revenues deposited into the Revenue Fund not needed on a monthly basis for the deposits set forth in (i) and (ii) above shall be (a) retained in the Revenue Fund until needed for the next succeeding month; or (b) retained in the Revenue Fund until all principal and interest on the Bonds have been paid or provided; or (c) upon direction of the Authority, returned to the City to be placed into the City's General Fund.

Provided however, that so long as there shall be held in the Bond Fund an amount sufficient to pay in full all Outstanding Bonds in accordance with their terms (including principal or applicable Redemption Price and interest thereon), no deposits shall be required to be made into the Bond Fund.

THE SERIES 2024 BONDS

The following is a summary of certain provisions of the Series 2024 Bonds. Reference is made to the Series 2024 Bonds themselves for the complete text thereof and to the Bond Indenture, and the discussion herein is qualified by such reference.

Authorization

The Series 2024 Bonds are issued under the Bond Indenture pursuant to, and in full compliance with, the laws of the State of Oklahoma, including particularly Sections 176 to 180.3, inclusive, of Title 60, Oklahoma Statutes 2011, as amended.

Description

The Series 2024 Bonds are dated as shown on the cover. The Series 2024 Bonds will bear interest at the rates per annum set forth on the cover page of this Preliminary Official Statement, payable semi-annually on April 1 and October 1 of each year, beginning on October 1, 2024, and will mature on April 1 in the years and in each of the principal amounts set forth on the cover page of this Preliminary Official Statement. The Series 2024 Bonds are issuable as fully registered bonds in the denomination of \$5,000 or any integral multiple of \$5,000 thereafter. Principal of the Series 2024 Bonds is payable at the principal office of the Trustee, and interest on the Series 2024 Bonds is payable by check or draft mailed by the Trustee to the Registered Owner at his address as it appears on the registration books kept by the Trustee under the Bond Indenture. The Record Date of the Bonds is fifteen days prior to any Interest Payment Date.

Optional Redemption of Series 2024 Bonds

Series 2024 Bonds maturing on and after April 1, 2033 are subject to optional redemption by the Authority in whole or in part, on any date on or after April 1, 2032, on at least 30 days notice, at a redemption price equal to the principal amount thereof, plus accrued interest to the date of redemption.

Selection of Series 2024 Bonds to be Redeemed

If less than all Series 2024 Bonds shall be redeemed, the particular Series 2024 Bonds to be redeemed shall be chosen by the Trustee. If less than all the Series 2024 Bonds shall be called for redemption under any provision of the Second Supplemental Bond Indenture permitting such partial redemption, the particular Series 2024 Bonds or portions of Series 2024 Bonds to be redeemed shall be selected by lot by the Trustee in such manner as the Trustee in its discretion may deem proper. No redemption of less than all of the Series 2024 Bonds outstanding shall be made pursuant to this Article unless, the aggregate principal amount of Series 2024 Bonds to be redeemed is equal to Authorized Denominations. Any redemption of less than all of the Series 2024 Bonds outstanding shall be made in such a manner that all Series 2024 Bonds of such series outstanding after such redemption are in Authorized Denominations.

Notice of Redemption

Each notice of redemption shall state: (i) the title of the Bonds to be redeemed, the Series designation (if any) thereof, the redemption date, the place or places of redemption and the redemption price or redemption premium, if any, payable upon such redemption; (ii) if less than all the Bonds of a particular Series are to be redeemed, the distinctive numbers of the Bonds to be redeemed; (iii) that the interest on the Bonds, or on the principal amount thereof to be redeemed, designated for redemption in such notice shall cease to accrue from and after such redemption date; and (iv) that on such date there will become due and payable on each such Bond the principal amount thereof to be redeemed at the then applicable redemption price (or together with the then applicable redemption premium, if any) and the interest accrued on such principal amount to the redemption date. Each notice of redemption mailed to the holder of a Bond to be redeemed shall, if less than the entire principal sum thereof is to be redeemed, also state the principal amount thereof to be redeemed and that such Bond must be surrendered to the Paying Agent of such series in exchange for the payment of the principal amount thereof to be redeemed and the issuance of a new Bond or Bonds equaling in principal amount that portion of the principal sum not to be redeemed of the Bond to be surrendered.

Notice of such redemption shall also be sent by registered mail, overnight delivery service or other secure means, postage prepaid, to any holder of \$1,000,000 or more in aggregate principal amount of Bonds to be redeemed and to municipal registered Securities Depositories which are known to the Trustee to be holding Bonds, when possible, at least one (1) day prior to the mailing of notices required by the Supplemental Bond Indenture providing for the issuance of such Series of Bonds but in any event at least 16 days but not more than 31 days prior to the redemption date; provided, however, that neither the failure to receive such notice or any defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption of such Bonds.

Failure to give such notice by mailing to any registered Bondholder of a Series 2024 Bond or to give any other notice provided herein or in the Master Bond Indenture, or any defect in such mailing shall not affect the validity of any proceeding for the redemption of any other Series 2024 Bonds. Any notice of redemption mailed in accordance with the requirements set forth herein shall be conclusively presumed to have been duly given, whether or not such registered Bondholder or other addressee actually receives the notice.

Payment of Redemption Price

If notice of redemption has been duly given as provided above, then the Series 2024 Bonds called for redemption shall be payable on the redemption date at the applicable Redemption Price. If provision is made for redemption from funds on deposit with the Trustee, all interest on the Series 2024 Bonds called for redemption accruing on and after the date fixed for redemption shall cease, and the registered Bondholders of the Bonds called for redemption shall have no security, benefit or lien under the Bond Indenture or any right except to receive payment of the Redemption Price. Payment of the Redemption Price shall be made by the Trustee to or upon the order of the registered Bondholders of the Series 2024 Bonds called for redemption upon surrender of such Series 2024 Bonds. The Redemption Price, including the expenses of giving notice and any other expenses of redemption, shall be paid out of the Fund from which the redemption is to be made or from moneys provided by the Authority.

Transfer and Exchange

With respect to the Series 2024 Bonds, the Trustee is hereby constituted and appointed the Bond Registrar of the Authority and shall keep books for the ownership and transfer of the Series 2024 Bonds as provided in the Bond Indenture, and Trustee is hereby constituted and appointed the Paying Agent of the Authority for the Series

2024 Bonds. The Trustee is directed to register each of the Series 2024 Bonds in the manner prescribed herein. Upon surrender for exchange or transfer of any Series 2024 Bond, duly endorsed for transfer or accompanied by an assignment duly executed by the Owner or his attorney duly authorized in writing, the Authority shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees a new Series 2024 Bond or Series 2024 Bonds in authorized denominations of the same interest rate and maturity and for a like aggregate principal amount

PLAN OF FINANCING AND ADDITIONAL BONDS TO BE ISSUED

The proceeds of the Series 2024 Bonds, together with certain other funds of the City will be used for the purpose of acquiring, constructing, equipping, furnishing, operating and maintaining stormwater management projects in the City of Tulsa, (the “Project”), and to pay the costs and expenses of issuing the Series 2024 Bonds.

The City and the Authority have entered into a Projects Agreement dated as of April 1, 2024 (the “Projects Agreement”) whereby the Authority has agreed to issue the Series 2024 Bonds and the City has covenanted and agreed, to the extent that funds are available to and duly appropriated by the City for said purpose to make payments from available funds of the City, at such times and in such amounts as may be necessary to pay the principal of the Series 2024 Bonds when due, (whether upon the schedule due date, upon redemption, purchase, acceleration or otherwise) and all interest accrued thereupon.

The City’s obligation under the Projects Agreement is expected to be funded from its receipt of fees and charges on the City’s stormwater management system (the “Stormwater System”). Although the City expects to receive fees and charges on its Stormwater System to pay the debt service on the Series 2024 Bonds and the operation and maintenance expenses of the Stormwater System, the City’s obligation under the Projects Agreement is not limited by the sufficiency of such fees and charges and the City’s obligation under the Projects Agreement must be met by any and all available funds of the City.

Historical and Projected Revenues and Expenses

The following summary is provided for the historical (fiscal years 2022-2023) and projected (fiscal years 2024-2026) operating results for the Stormwater (in thousands of dollars):

Fiscal Year	Revenues	Direct Operating Expenses	Net Revenues Available for Debt Service*	Debt Service	Coverage Using Maximum Annual Debt Service
2022	\$39,356,357	\$29,372,900	\$9,983,457	\$2,141,800	466%
2023	42,093,600	44,393,740	9,721,800	2,210,240	540%
2024†	45,926,800	49,764,000	9,503,000	3,517,600	270%
2025†	49,769,100	50,779,800	11,306,400	4,311,300	262%
2026†	57,463,200	56,674,100	15,923,300	5,551,300	287%

*Net revenues less transfers to General Fund for Payment In-Lieu of Taxes

†Projected operating results for these fiscal years.

The revenue projections are based on annual rate increases above the current rate of \$9.80. Fiscal years 2024 through 2025 include an annual rate increase of 8.50%; Fiscal year 2026 includes an increase of 15.00%. The expense projections assume inflation of 3% for personnel services and 2% for materials and services. The expense projections include 34 new positions added throughout the five years as recommended in a study of the utility by consultants.

The initial term of the Projects Agreement as it relates to the City’s covenants and agreements ends June 30, 2024, the end of the City’s fiscal year. The Projects Agreement may be renewed for successive annual periods commencing July 1, 2024, at the option of the City, upon written notice of the exercise of each such option from the City to the Authority given prior to the expiration of the then current term and the taking by the City of such official action as shall be required by applicable laws to effect such renewal and annual appropriation. Notice of such renewal shall be provided to the Trustee and the Authority, not later than July 31 of each year. The Authority has assigned the funds payable under the Projects Agreement to the Trustee pursuant to the terms of the Bond Indenture.

Notwithstanding anything to the contrary contained in the Projects Agreement, if the City does not appropriate funds to be paid to the Authority pursuant to the Projects Agreement for any fiscal year (other than the first fiscal year) during the term of the Projects Agreement, the City shall not be obligated to make payments for such non-appropriated fiscal year. In such event, it is unlikely that the Authority would be able to pay the debt service on the Series 2024 Bonds. The City shall notify the Authority in writing of any such non-appropriation as soon as the City so determines.

The Authority intends to issue the Series 2024 Bonds in the principal amount of \$6,925,000, and also intends to issue Additional Bonds under the Master Bond Indenture in the aggregate amount of \$79,760,000 over the next several years. Such Bonds will be authorized by a Supplemental Bond Indenture on or before January 1, 2028. Such Bonds will not require additional consent from existing Bondholders, nor will it require the Authority to certify any revenues for an Additional Bonds test.

Any other Series of Bonds issued under the Indenture as Additional Bonds shall not be issued and the Trustee shall not authenticate and deliver any Series of Bonds unless and until the Trustee has received the following certificate, in addition to the other requirements of the Indenture, all dated as of the date of such issuance and delivery.

A Certificate of the City setting forth the following: (1) the Project Payments received by the Authority for the payment of Bonds then Outstanding has been sufficient to pay the principal and interest on such Bonds and (2) the City will enter into a Projects Agreement for the payment of the principal and interest on the Series of Bonds to be issued; and (3) that, based on the information set forth in (1) and (2) above, the City expects to receive a Rating on the Series of Bonds to be issued equal to or greater than the existing rating on all Bonds then Outstanding.

SOURCES AND USES OF FUNDS

The proceeds of the Series 2024 Bonds will be used for the purpose of acquiring, constructing, equipping, furnishing, operating and maintaining stormwater management projects in the City of Tulsa, (the “Project”) and to pay the costs and expenses of issuing the Series 2024 Bonds.

The proceeds from the sale of the Series 2024 Bonds are expected to be applied as follows:

SOURCES		
Series 2024 Bond Proceeds		\$ -
Total		\$ -
USES		
Deposit to Construction Fund		\$ -
Cost of Issuance (1)		\$ -
Total		\$ -

(1) Includes legal, printing, Trustee fees and expenses and other costs of issuance.

BOOK-ENTRY-ONLY SYSTEM

THE INFORMATION IN THIS SECTION, “BOOK-ENTRY-ONLY SYSTEM”, HAS BEEN FURNISHED BY THE DEPOSITORY TRUST COMPANY. NO REPRESENTATION IS MADE BY THE AUTHORITY AS TO THE COMPLETENESS OR ACCURACY OF SUCH INFORMATION OR AS TO THE ABSENCE OF MATERIAL ADVERSE CHANGES IN SUCH INFORMATION SUBSEQUENT TO THE DATE HEREOF. NO ATTEMPT HAS BEEN MADE BY THE AUTHORITY TO DETERMINE WHETHER DTC IS OR WILL BE FINANCIALLY OR OTHERWISE CAPABLE OF FULFILLING ITS OBLIGATIONS. THE AUTHORITY SHALL HAVE NO RESPONSIBILITY OR OBLIGATION TO DTC PARTICIPANTS, INDIRECT PARTICIPANTS OR THE PERSONS FOR WHICH THEY ACT AS NOMINEES WITH RESPECT TO THE SERIES 2024 BONDS, OR FOR ANY PRINCIPAL, PREMIUM, IF ANY OR INTEREST PAYMENT THEREOF.

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Series 2024 Bonds. The Series 2024 Bonds will be issued as fully-registered bonds in the name of Cede & Co., (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Bond certificate will be issued for each maturity of the Series 2024 Bonds in the aggregate principal amount of such maturity, and will be deposited with DTC at the office of the Trustee on behalf of DTC utilizing the DTC FAST system of registration.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation and Emerging Markets Clearing Corporation, (NSCC, FICC and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has S&P’s highest rating: AAA. The rules applicable to DTC and its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Series 2024 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2024 Bonds on DTC’s records. The ownership interest of each actual purchaser of each Series 2024 Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2024 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2024 Bonds, except in the event that use of the book-entry system for the Series 2024 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2024 Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2024 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2024 Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Series 2024 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Series 2024 Bonds unless authorized by a Direct Participant in accordance with DTC’s Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts the Series 2024 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Distributions and dividend payments on the Series 2024 Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or BOKF, National Association, Tulsa, Oklahoma, (the "Paying Agent") on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of distributions and dividend payments on the Series 2024 Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Paying Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2024 Bonds at any time by giving reasonable notice to the Authority. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

The Authority, the Paying Agent and the Underwriter cannot and do not give any assurances that the DTC Participants will distribute to the Beneficial Owners of the Series 2024 Bonds: (i) payments of principal of or interest on the Series 2024 Bonds; (ii) certificates representing an ownership interest or other confirmation of Beneficial Ownership interests in the Series 2024 Bonds; or (iii) other notices sent to DTC or its nominee, as the Registered Owners of the Series 2024 Bonds; or that they will do so on a timely basis or that DTC or its participants will serve and act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

None of the Authority, the Paying Agent or the Underwriter will have any responsibility or obligation to such DTC Participants (Direct or Indirect) or the persons for whom they act as nominees with respect to: (i) the Series 2024 Bonds; (ii) the accuracy of any records maintained by DTC or any DTC Participant; (iii) the payment by any DTC Participant of any amount due to any Beneficial Owner in respect of the principal amount of or interest on the Series 2024 Bonds; (iv) the delivery by any DTC Participant of any notice to any Beneficial Owner which is required or permitted under the terms of the Bond Indenture to be given to Registered Owners; (v) any consent given or other action taken by DTC as Registered Owner.

In reading this Preliminary Official Statement, it should be understood that while the Series 2024 Bonds are in the book-entry system, references in other sections of this Preliminary Official Statement to Registered Owner should be read to include the Beneficial Owners of the Series 2024 Bonds, but: (i) all rights of ownership must be exercised through DTC and the book-entry system; and (ii) notices that are to be given to Registered Owners by the Authority or the Paying Agent will be given only to DTC.

THE AUTHORITY

General

The Tulsa Public Facilities Authority was created pursuant to a Trust Indenture dated as of March 10, 1981, as amended, (the "**Trust Indenture**") designating, ex officio, the Mayor of the City of Tulsa, Oklahoma (the "City") and four (4) appointees of the Mayor of the City, as confirmed by the City Council of the City as Trustees of the Authority for the use and benefit of the City, under authority of and pursuant to the provisions of Title 60, Oklahoma Statutes 2011, Section 176 to 180.3 inclusive, as amended and supplemented (the "Act") and other applicable statutes of the State of Oklahoma.

The Trustees and officers of the Authority are as follows:

<u>Name</u>	<u>Position</u>	<u>Occupation</u>
Kathy Taylor	Chairwoman	Retired/Volunteer
Shelby Beil	Vice Chairman	Executive VP/CFO, TTCU Federal Credit Union
Charles Blue	Secretary	CFO, Toomey Oil Company
Teresa Knox	Trustee	Entrepreneur
Anna America	Trustee	Mayoral Designee, City of Tulsa, OK

The Authority's principal office is 175 E. 2nd Street, Tulsa, Oklahoma 74103.

Existing Indebtedness

The Authority has since its inception in 1981 issued many series of bonds and notes which have been secured by specific revenue streams not associated with the payments to be made by the City under the Projects Agreement. Generally these obligations are payable from specified revenue sources from various governmental activities of the City. The Authority has issued certain obligations which are payable from funds of the City which are subject to annual appropriation, but none of the existing indebtedness of the Authority is secured by or payable from the payments of the City to be appropriated to the Authority for payment of the Series 2024 Bonds.

THE CITY

Governmental Structure and General Information

Tulsa has grown dramatically since its incorporation in 1898. A town site survey in 1900 indicated a population of 1,390. The population of the Tulsa MSA (comprised of Creek, Okmulgee, Osage, Pawnee, Rogers, Tulsa and Wagoner counties), as reflected in the 2020 census is 1,015,331.

The City was governed under a Commission form of government from 1909 until May 1990, at which time City government changed to a Mayor-Council form under a voter-approved Charter change. The Mayor, elected every four years, serves as the chief executive of the City and is responsible for all administration of city departments and preparing and submitting an annual budget to the City Council pursuant to the City Charter and the Oklahoma Municipal Budget Act. The City Council consists of nine members, elected for two-year terms and by geographic districts, and serves as the legislative branch under the direction of a Chairman, elected by and from its nine members. The City Auditor, elected biennially, and the Mayor are the only two officials elected at large.

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The City Council has the authority to establish procedures for the appropriation of funds and amendment of City budgets. Annual budget requests are prepared by each department and agency of the City desiring public funds. These requests are submitted to the Department of Finance and reviewed by the Mayor and his/her management team. The Mayor's proposed annual budget is submitted to the City Council on or before May 1 for its review. State law requires the annual budget to be adopted no later than seven days before the start of the new fiscal year on July 1. The City Council may increase, reduce or omit any item, subject to the veto power of the Mayor. A veto by the Mayor can be overridden by a two-thirds super-majority of the City Council. Budget expenditures cannot exceed estimated revenues and fund balance available for appropriation, and it is unlawful for the City to create or authorize a deficit in any fund. Unencumbered appropriation balances lapse at the end of the year.

Downtown Tulsa is the business, financial, governmental and cultural center for the metropolitan area. It contains half of the region's office space and is the site of the Tulsa Performing Arts Center, Cox Business Center and an 18,000-seat all-purpose arena, BOK Center, which opened in September 2008. Additionally, ONEOK Field was completed and opened for use in April 2010. The nearly 8,000 seat stadium is home to Tulsa's AA baseball affiliate.

Tulsa County Independent School District No. 1, the second largest school district in Oklahoma, serves most of the area within the city limits. Other school districts serving parts of Tulsa include: Broken Arrow, Bixby, Jenks, Union and Owasso. The Tulsa Technology Center, which serves high school students not going to college, has been recognized as one of the best job training programs in the country. Both of the state's major universities, the University of Oklahoma and Oklahoma State University, have branch campuses in Tulsa. Tulsa is also home of the largest community college in the state, Tulsa Community College. Long standing private universities, the University of Tulsa and Oral Roberts University, also offer a wide variety of graduate and post graduate degrees.

As in many cities across the country, medical service is becoming an important component of the region's economic base. Tulsa is the region's medical center with five major hospital facilities. There are also special facilities catering to patients with special needs. Two of the local hospitals are affiliated with the OU and OSU medical schools.

Tulsa has numerous points of interest and cultural institutions. There are 130 parks including Gathering Place which was voted USA Today's Best New Attraction of 2019, Mohawk Park, the sixth largest municipal park in the United States and the site of two golf courses, a nature center and the Tulsa Zoo. Woodward Park is the site of a nationally recognized municipal rose garden. Cultural institutions include: Philbrook Museum, the city owned Thomas Gilcrease Institute of American History and Art, and nationally recognized opera and ballet companies. Tulsa is the home of professional baseball, hockey, and soccer, as well as a full complement of NCAA Division I college athletics including: football, basketball, golf, baseball, soccer, and tennis.

Tulsa also offers a wide range of shipping options: rail, water, truck, and air. The completion of the McClellan-Kerr Arkansas River Navigation System in 1970 made Tulsa the westernmost inland port on the Inland Waterway System.

Principal Government Services

Among the basic municipal services the City provides are; police and fire protection, airport facilities, parks, street construction and maintenance, mass transit, convention and performing arts centers, parking facilities, water and sewer systems, refuse collection and disposal, recycling, neighborhood revitalization and land use regulation. The City does not provide educational, hospital, or welfare services. Sales and use taxes, and user fees, provide most of the revenue for the City's annual operating budget.

Historically, the City and public trusts established for the City's benefit, have financed capital projects with: earmarked sales tax revenues, general obligation bonds, revenue bonds backed by user fees and federal and state grants.

Economic and Demographic Characteristics of the City

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 Regional Chamber of Commerce has reported, several of these sectors have disproportionately large concentrations of employment relative to the U.S. "Aerospace part manufacturing, which is 4.8 times more concentrated in the Tulsa MSA than the U.S.; and oil and gas production and machinery manufacturing, which is 6.2 times more concentrated, accounts for 1.5 percent of highly productive employment, which produces 12.4 percent of Tulsa's Gross Regional Product. Tulsa's concentration of fabricated metal product manufacturing is 3.6 times the U.S. concentration, but its heat-exchanger manufacturing sub-cluster is 55.7 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 and a cost of living which is 11% below the national average.

Based on the 2020 Census, the Tulsa Metropolitan Statistical Area (TMSA) is comprised of 1,034,123 people which makes up 25.7% of the state's total population. In 2022, Tulsa represented over \$56.1B in Gross Metro Product which is 26.1% of Oklahoma's economy.

The unemployment rate for the city of Tulsa, as reported by the Bureau of Labor Statistics, in June 2023 was 3.2%. This was 11.11% points lower than the rate from the same month in 2022. We saw the unemployment rate spike to an all-time high in April 2020 to 14.0% due to COVID-19. As of September 2021, the unemployment rate for the city fell to 3.5% from the peak in April, returning to its pre-pandemic levels.

For details on the economic and demographic characteristics of the City and the metropolitan area, see Exhibit C hereto.

Accounting and Reporting Practices

The accounting and reporting policies of the City conform to generally accepted accounting principles for state and local governments. Generally accepted accounting principles for municipalities are defined as those principles promulgated by the Governmental Accounting Standards Board ("GASB").

In accordance with GASB Codification, the City, for financial reporting purposes, includes all funds, account groups, agencies, boards, commissions and other authorities for which the City is financially accountable.

The City's financial statements are prepared in conformity with generally accepted accounting principles. For primary government activities (General, Special Revenue, Capital Projects, and Debt Service), revenues are recognized when measurable and available to finance current expenditures. Expenditures are recognized when a liability is incurred. The City's business type activities (Enterprise and Internal Service) are accounted for on the accrual basis. Revenues are recognized when earned and expenses when incurred.

In developing the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable assurance regarding the safeguarding of assets against loss from unauthorized use and the reliability of financial records for preparing financial statements and maintaining accountability for assets.

Estimated purchase orders and contract amounts are encumbered prior to issuance to a vendor or the signing of a contract. Purchase orders and contracts which result in an overrun of encumbered balances are not issued or approved unless additional appropriations are made available. Open encumbrances are reported as reservations of fund balances for governmental activities.

The City has been awarded a Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada (GFOA) for its Comprehensive Annual Financial Report (ACFR) for the year ended June 30, 2022 and for each of the previous 40 years. The June 30, 2023 ACFR has been submitted for review by the GFOA. The Certificate of Achievement for Excellence in Financial Reporting is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR, the content of which conforms to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

Eligible ACFRs are evaluated by an impartial special review committee composed of government finance officers, independent certified public accountants, educators, and others with particular expertise in governmental accounting and financial reporting. The Basic Financial Statements of the City as of and for the year ended June 30, 2023, is included in Exhibit A which should be read in its entirety. The ACFR may be obtained from the City Controller, 175 E. 2nd Street, Suite 1570, Tulsa, Oklahoma 74103.

Government-Wide Highlights

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net assets and how they have changed. Net assets—the difference between the City's assets and liabilities—is one way to measure the City's financial health, or position.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant funds-not the City as a whole. Funds are grouping of related accounts that the City uses to keep track of specific sources of funding.

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

Changes in Net Position

The City's total revenues increased 17.9% to \$841 million in 2023. Sales taxes, the largest revenue category, increased 5% to \$344 million in 2023 from \$327 million in 2022. The increase is a result of improving economic conditions as the effects of the COVID-19 pandemic subsided. Use taxes increased to \$65.8 million in 2023 from \$59.4 million in 2022 due to continued increases in collections from online retailers. Other revenues increased to \$42 million in 2023 from a loss of \$4 million in 2022 due primarily to the decline in fair value of investments held in the City's pooled portfolio in 2022.

CITY OF TULSA
CHANGES IN NET POSITION
Last Five Years
(accrual basis of accounting)
(amounts expressed in thousands)

	2023	2022	2021	2020	2019
Expenses:					
Governmental activities:					
General government	\$83,706	\$76,846	\$74,033	\$80,629	\$75,017
Public safety and protection	274,382	215,570	256,326	250,740	202,244
Public works and transportation	102,140	94,683	93,629	82,368	86,997
Culture and recreation	33,860	33,100	26,718	35,153	29,510
Social and economic	62,724	79,512	56,986	47,845	82,661
Interest on long-term debt	13,879	13,433	15,990	17,426	16,735
Total governmental activities and expenses	570,691	513,144	523,682	514,161	493,164
Business-type activities:					
Stormwater	41,904	39,419	36,041	37,247	35,642
One Technology Center	11,538	10,229	8,736	8,119	9,046
Arena & Convention	29,628	26,304	19,522	24,550	25,826
Tulsa Stadium Trust	3,665	3,501	3,262	4,388	3,539
Golf Courses	4,226	3,158	2,770	2,606	2,832
Total business-type activities	90,961	82,611	70,331	76,910	76,885
Total primary government	661,652	595,755	594,013	591,071	570,049
Program Revenues:					
Governmental activities:					
Charges for services					
General government	37,706	35,879	37,399	39,873	39,984
Public safety and protection	12,878	12,126	13,346	14,280	14,854
Public works and transportation	-	-	-	3,281	5,040
Culture and recreation	1,933	1,556	1,749	636	4,903
Social and economic	31,709	20,725	13,920	13,476	14,186
Operating grants and contributions	53,764	46,704	67,336	37,090	38,163
Capital grants and contributions	17,579	3,241	10,639	8,472	30,885
Total governmental activities program revenues	155,569	120,231	144,389	117,108	148,015
Business-type activities					
Charges for services					
Stormwater	41,950	39,527	39,251	35,975	32,970
One Technology Center	9,537	9,541	8,183	8,321	7,045
Arena & Convention	25,902	15,407	4,379	15,183	18,413
Tulsa Stadium Trust	225	213	228	285	248
Golf Courses	3,385	2,821	2,845	2,248	2,392
Operating grants and contributions	-	-	-	84	-
Capital grants and contributions	14,680	7,490	10,546	6,181	2,938
Total business-type activities program revenues	95,679	74,999	65,432	68,277	61,068
Total primary government program revenues	\$251,248	\$195,230	\$209,821	\$185,385	\$212,021
Net (expense) revenue:					
Governmental activities	-415,122	-392,913	-379,293	-397,053	-345,149
Business-type activities	4,718	-7,612	-4,899	-8,633	-12,879
Total primary government net expense	<u>(\$410,404)</u>	<u>(\$400,525)</u>	<u>(\$384,192)</u>	<u>(\$405,686)</u>	<u>(\$358,028)</u>
General Revenues and Other Changes in Net Position					
Taxes					
Sales tax	344,070	327,026	293,522	280,738	284,687
Property tax	82,860	82,468	69,365	82,065	79,522
Franchise tax	32,224	26,282	21,629	22,701	23,122
Use tax	65,828	59,449	53,062	44,996	41,068
Lodging tax	9,355	8,711	5,653	6,170	7,870
Unrestricted grants and contributions	13,991	18,044	6,762	7,333	7,747
Payments from component units	23,585	24,762	25,002	25,971	17,204
Investment earnings	14,371	-29,360	11,690	20,573	20,667
Miscellaneous	1,990	1,581	5,405	2,170	1,437
Transfers	-4,415	-2,149	-11,067	-36,091	-20,511
Total governmental activities	583,859	516,814	481,023	456,626	462,813
Business-type activities:					
Investment earnings and other	2,192	-868	1,191	1,601	1,687
Transfers & capital contributions	4,415	2,149	11,067	36,091	20,511
Total business-type activities	6,607	1,281	12,258	37,692	22,198
Total primary government	<u>\$590,466</u>	<u>\$518,095</u>	<u>\$493,281</u>	<u>\$494,318</u>	<u>\$485,011</u>
Changes in Net Position:					
Governmental activities	168,737	123,901	101,730	59,573	117,664
Business-type activities	11,325	-6,331	7,359	29,059	9,319
Total primary government	<u>\$180,062</u>	<u>\$117,570</u>	<u>\$109,089</u>	<u>\$88,632</u>	<u>\$126,983</u>

CITY OF TULSA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
(BUDGETARY BASIS)
Year ended June 30, 2023
(amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	
	Original	Final	Budgetary Basis	Variance
Revenues				
Taxes	\$253,636	\$253,636	\$268,900	\$15,264
Licenses and Permits	10,803	10,803	12,175	1,372
Intergovernmental	9,678	9,678	10,701	1,023
Charges for service	47,736	47,736	44,795	-2,941
Fines and forfeitures	6,841	6,841	6,884	43
Investment income	2,893	2,893	7,917	5,024
Payments from component unit	19,613	19,613	21,520	1,907
Miscellaneous	3,687	3,687	4,415	728
Total Revenues	354,887	354,887	377,307	22,420
Expenditures				
Current				
General government	75,258	74,685	69,690	4,995
Public works and transportation	34,716	34,989	34,537	452
Social and economic development	14,268	14,808	13,523	1,285
Public safety and protection	204,115	210,881	205,668	5,213
Culture and recreation	24,327	25,074	24,327	747
Payment to component units	7,359	8,023	8,023	-
Total expenditures	360,043	368,460	355,768	12,692
Excess (deficiency) of revenues over expenditures	-5,156	-13,573	21,539	35,112
Other financing sources (uses)				
Transfers in	3,514	3,514	3,514	-
Transfers out	-25,120	-25,348	-25,348	-
Total other financing uses	-21,606	-21,834	-21,834	-
Net changes in fund balances	-26,762	-35,407	-295	35,112
Fund balances, beginning of year	79,212	79,212	79,212	-
Fund balances, end of year	\$52,450	\$43,805	\$78,917	\$35,112
Reconciliation to GAAP basis – basis differences:				
Reserve for encumbrances			9,808	
Reserve for advances			492	
Lease Receivables			4,099	
Other current assets			892	
Receivables			43,468	
Non-budgetary payables			-2,334	
Unearned revenue			-6,999	
Decrease in fair value of investments			-25,024	
Portion of General Fund budgeted on a multi-year basis			13,627	
Fund balance – GAAP basis			\$116,946	

Sales Tax Revenue History

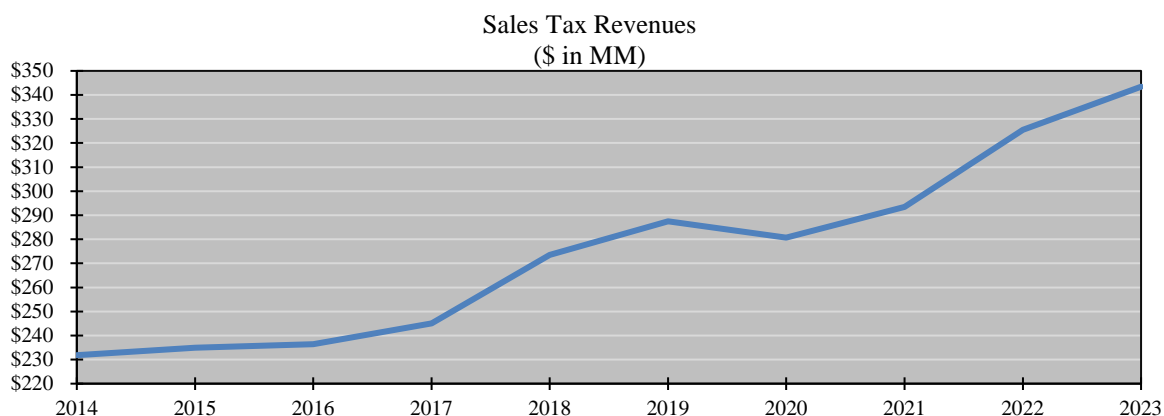
The City's most significant source of General Governmental Revenues are Sales and Use Tax. Sales and Use tax collections in FY2023 represented 63.7% of all such governmental revenues received by the City (exclusive of business-type activities). The City's sales tax is a 3.65% tax, of which 2% is dedicated to governmental type annual operating needs. The remaining 1.65% is dedicated special limited-purpose needs. On November 13, 2013, a sales tax levy of 1.1% was approved (Improve Our Tulsa package), authorizing \$563.7 million in various capital improvement projects. This sales tax remained in effect until May 31, 2021, a month earlier than the expiration date of June 30, 2021, after collections reached the maximum authorization. Upon the expiration of the tax levy, authorizations have been approved for the reallocation of the full 1.1% and are described below.

On April 5, 2016, voters approved three more limited-purpose sales tax levies for a combined levy of 0.55%. The first was an approval of 0.305% authorizing \$510.6 million (Tulsa Vision package) in economic development projects within the City, beginning January 1, 2017 and continuing until December 30, 2031. Furthermore, as part of this Tulsa Vision authorization, voters approved an additional temporary 0.5% increase in sales tax (for a combined 0.805%), beginning July 1, 2021 and lasting until June 30, 2025, which will coincide with the ending of the 1.1% sales tax authorized in the Improve Our Tulsa package. The second, a permanent limited-purpose sales tax levy of 0.16% was approved, dedicated to the purpose of providing revenue for the support of the public safety functions of the City of Tulsa. With the end of the 1.1% Improve Our Tulsa authorization, an additional 0.1% will be permanently reallocated to the Public Safety Authorization, bringing it to a combined 0.26%. The third and last authorization was a permanent limited-purpose levy of 0.085%, dedicated to providing revenue for the support of street maintenance, traffic, and public transportation functions of the City of Tulsa.

Going forward, on November 12, 2019 voters approved two new propositions for the final reallocation of the expiring Improve Our Tulsa 1.1% levy. The two new authorizations will begin simultaneously on July 1, 2021. The first, a special limited-purpose levy of 0.45% (Improve Our Tulsa 2) authorizes \$193 million in various capital improvement projects across the City of Tulsa. The second, a permanent limited-purpose levy of 0.05% authorizes the collection of revenue for a permanent Rainy-Day Reserve. All funds pertaining to this operating reserve have specific triggers, defined by ordinance, which dictate their collection and restrict disbursement.

On August 8, 2023, voters approved the Improve Our Tulsa III package funded by General Obligation Bonds and a sales tax extension. The Sales Tax extension will continue to be 0.45%, continuing the same amount that was approved in the previous package. This Improve Our Tulsa renewal will fund improvements to identified City facilities and sites while also providing capital funding for public safety equipment and street maintenance. The total levy of this new package over its lifetime is projected to be \$814 million, approximately \$429 million of which will come from projected Sales Tax revenue. The other estimated \$385 million will come from GO Bond issuance.

Sales tax revenues increased from 2014 to 2023 at an average growth rate of 4.21%.



Public Trusts and Authorities

In addition to the Authority, the following trusts and authorities are included with the City for financial reporting purposes:

Metropolitan Tulsa Transit Authority—MTTA provides public transportation systems and facilities that primarily benefit City residents. MTTA cannot incur indebtedness in excess of \$100,000 within any year. As of June 30, 2023, MTTA had no outstanding debt.

Tulsa Airports Fund—The Tulsa International and Richard L. Jones, Jr. Airports have been combined with the Tulsa Airports Improvements Trust ("TAIT") and are included in the Airports fund. The Tulsa Airport Authority ("TAA") is responsible for operating the City's airports. The purpose of TAIT is to fund airport improvements through the issuance of revenue bonds. All improvements are leased by TAIT to TAA and become the property of the City upon termination of the lease. The City is designated as the sole beneficiary of the Trust. TAIT has outstanding bonded indebtedness in the amount of \$141,633,000, as of June 30, 2023, all of which are payable from airport facility user fees. TAA and TAIT trustees are appointed by the Mayor and approved by the City Council.

Tulsa Metropolitan Utility Authority—The City is the sole beneficiary of TMUA which operates and maintains its water and wastewater utility properties. As of June 30, 2023, the outstanding indebtedness of TMUA including general obligation debt, revenue bonds and promissory notes, was \$332,111,000. TMUA trustees are appointed by the Mayor and approved by the City Council.

Tulsa Public Facilities Authority—TPFA promotes the acquisition, construction and operation of various facilities and public improvements in and for the City, which is the sole beneficiary of TPFA. TPFA issues its revenue bonds for such purposes, and the City enters into various agreements with TPFA including certain leases of assets from TPFA for amounts equal to debt service on the particular bond issue. The five trustees of TPFA are the Mayor and four mayoral appointees approved by the City Council. As of June 30, 2023, the outstanding bonded indebtedness of TPFA was \$310,850,000.

Tulsa Authority for the Recovery of Energy—TARE was created for the benefit of the City to provide for the collection, removal, transportation, and disposal of solid waste. TARE trustees are appointed by the Mayor and approved by the City Council. TARE had no outstanding debt as of June 30, 2023.

Tulsa Development Authority—TDA is a public authority created to finance urban renewal, rehabilitation, and redevelopment. The City staffs TDA and maintains its accounts. The primary source of funding for TDA is from City of Tulsa Community Development Block Grant funds. TDA Commissioners are appointed by the Mayor and approved by the City Council. TDA had no outstanding debt as of June 30, 2023.

Tulsa Performing Arts Center Trust—TPACT is a public trust formed for the purpose of expanding performing arts in the City. TPACT has a 15-member board appointed by the Mayor and confirmed by the City Council. TPACT had no outstanding indebtedness at June 30, 2023.

Tulsa Authority for Economic Opportunity—TAEO is a public trust created to promote economic development and racial equality within and near Tulsa, Oklahoma. Its activities primarily consist of promoting economic development, redevelopment, adequate housing and general public health, safety, and welfare. The trustees include the Mayor of the City of Tulsa, five commissioners of the Tulsa Development Authority, and seven additional trustees appointed by the Mayor subject to the approval of the City Council of the City of Tulsa. The trust was previously named the Tulsa Industrial Authority. As of June 30, 2023, the outstanding bonded indebtedness of TAEO was \$26,710,000.

Tulsa Stadium Trust—TST is 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 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. As of June 30, 2023, TST had an aggregate of \$17,569,253 in outstanding indebtedness.

Multi-Beneficiary Trusts-Joint Venture

The City participates in three joint ventures with other governmental units to provide services to their respective constituents.

Emergency Medical Services Authority—The Authority (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 \$25,524,000 resulting from EMSA's net income in 2023 and previous years. Complete financial statements for EMSA can be obtained from EMSA's Chief Financial Officer, 1417 North Lansing, Tulsa, Oklahoma 74106.

River Parks Authority—The City is a participant with Tulsa County in a joint venture to operate and maintain a park along the Arkansas River. RPA, a trust, was created for that purpose. The City and Tulsa 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. Complete financial statements for RPA can be obtained from the Executive Director, 2121 S Columbia Ave, Suite 205, Tulsa, Oklahoma 74114. The City does not have an equity interest in this organization.

Regional Metropolitan Utility Authority—The City is a participant with the City of Broken Arrow, Oklahoma, to operate a sewage treatment facility. The Authority ("RMUA"), a trust, was created for that purpose. The City contributes one-half of the Authority's annual operating and capital budget and 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. Services are provided approximately 50% each to the City and the City of Broken Arrow. Upon termination of the trust, the net assets will be distributed to the beneficiaries based upon their pro rata interest. The City's equity interest of \$38,225,000 is reported in the TMUA statement of net assets. Complete financial statements for RMUA can be obtained from the Office of the Controller, City of Tulsa, 175 East 2nd Street, Suite 1570, Tulsa, OK 74103.

The City records its equity interest in the joint ventures, however, the joint ventures are not included in the City's financial statements.

The following related or jointly governed organizations are excluded from the City's ACFR. These organizations are excluded from the City's reporting entity because the City does not retain an ongoing financial interest or an ongoing financial responsibility.

Tulsa City/County Library

Tulsa Housing Authority

Tulsa City/County Health Department

Tulsa County Criminal Justice Authority

City of Tulsa-Rogers County Port Authority

Tulsa Municipal Airport Trust

Tulsa County Vision Authority

Oklahoma State University Medical Center Trust

Other Obligations

The City records an estimated liability for workers' compensation claims against the City. Claims liabilities are based on estimates of the ultimate cost of reported claims (including future claim adjustment expenses) plus an estimate for claims which have been incurred but not reported based on historical experience. The estimated liability at June 30, 2023, was \$26,752,000.

Retirement Plans—Each qualified employee is included in one of the three retirement plans in which the City participates. These are the Municipal Employees Retirement Plan, Oklahoma Firefighters Pension and Retirement System, and Oklahoma Police Pension and Retirement System. The City does not maintain the accounting records, hold the investments or administer the firefighter or police retirement funds. The police and firefighter plans are statewide systems administered by the State of Oklahoma. The municipal employees' plan is administered by a separate board of trustees and the assets are held in custody by a local bank.

A summary of significant data for each of the retirement plans follows:

Municipal Employees' Retirement Plan

The City contributes to the Municipal Employees' Retirement Plan ("Plan") which is a cost sharing multiple-employer defined benefit pension plan. The Plan was established by the City in accordance with the City Charter and state statutes, and is a component unit of the City's financial reporting entity, reported as a Pension Trust Fund.

Non-uniformed, full-time employees of the participating employers are eligible to participate in the Plan on the first day of the month following the first day of their employment, and become 100% vested after five years of employment. Employees contributed 7.5% of covered compensation from January 1, 2021 to September 24, 2022 and 8.0% thereafter, while the participating employers contribute the remaining amounts necessary to fund the Plan, using the actuarial basis specified by City ordinance.

The Net Pension Liability (NPL) is based upon a standardized measure established by the Governmental Accounting Standards Board in Statement No. 67.

The actuarial assumptions and methods used to determine the NPL are as follows:

Valuation date	January 1, 2023
Actuarial cost method	Entry Age Normal
Amortization method	Level percent, 30-year closed period beginning January 1, 2016
Remaining amortization periods	23 years
Asset valuation method	5 year smoothed FMV
Investment rate of return*	6.75%
Projected salary increases*	3.50%-9.50%
*includes inflation at	2.50%
Cost-of-living adjustments	None
Mortality rates	Pub-2010 General Employee Mortality Table Generational mortality improvements with in accordance with the ultimate rates of Scale MP-2021 from the table's bases year of 2010

(in thousands)	June 30, 2023
Total pension liability	\$853,634
Plan fiduciary net position	(573,268)
Net pension liability	\$280,366

Plan fiduciary net position as a percentage of the total pension liability	69.5%
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Covered payroll	\$54,450
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Plans' net pension liability as a percentage of Covered payroll	346.44%
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	Percentage	NPL
City of Tulsa (Governmental Activities)	42.1166%	118,081
Business type activities	6.5052%	18,238
Trusts & Authorities reported in City of Tulsa	38.8648%	108,964
Organizations outside City of Tulsa reporting	12.5134%	35,083
	100.0000%	\$280,366

Oklahoma Firefighters' Pension and Retirement System

Uniformed members of the City's Fire Department participate in the Oklahoma Firefighters' Pension and Retirement System, a system administered by the State of Oklahoma. In conformity with state law, the plan does not purport to be an actuarially funded plan; however, benefits are guaranteed by the State of Oklahoma. The contributions to the plan are established by the State, and the City is required to contribute 14% of covered payroll. Each firefighter contributes 9% of covered payroll. City contributions to the system of \$8,736,000 for the year ended June 30, 2023 were paid by the General Fund.

	2023
City's proportion of the net pension liability	14.4247%
City's proportionate share of the net pension liability	\$188,637
City's covered-employee payroll	\$54,450
City's proportionate share of the net pension liability as a percentage of covered payroll	346.44%
Plan fiduciary net position as a percentage of the total pension liability	69.5%

Oklahoma Police Pension and Retirement System

Uniformed members of the City's Police Department participate in the Oklahoma Police Pension and Retirement System, a system administered by the State of Oklahoma. In conformity with state law, the plan does not purport to be an actuarially funded plan; however, benefits are guaranteed by the State of Oklahoma. Contributions to the plan are established by the State, and the City is required to contribute 13% of covered payroll. Each police officer contributes 8% of covered payroll. City contributions to the system of \$9,206,000 for the year ended June 30, 2023 were paid by the General Fund.

	2023
City's proportion of the net pension liability (asset)	18.1069%
City's proportionate share of the net pension liability (asset)	(14,520)
City's covered-employee payroll	65,308
City's proportionate share of the net pension liability (asset) as a percentage of covered payroll	-22.23%
Plan fiduciary net position as a percentage of the total pension liability	102.7%

For more information relating to the plans see Appendix A - Notes to Basic Financial Statements - Note 9 from the City of Tulsa Comprehensive Annual Financial Report dated June 30, 2023 attached hereto.

RISKS OF BONDOWNERS

An investment in the Series 2024 Bonds is subject to certain risks, including, but not limited to the following. Prospective purchasers of the Series 2024 Bonds should make such investigations and obtain such additional information directly from the Authority and others as they deem advisable in connection with their evaluation of the suitability of the Series 2024 Bonds for purchase. Prospective purchasers of the Series 2024 Bonds should carefully consider the risks and uncertainties described below and the other information in this Preliminary Official Statement before deciding whether to purchase the Series 2024 Bonds.

The principal of and interest on the Series 2024 Bonds are payable solely from the payments of the City to the Authority pursuant to the Projects Agreement and income derived from investment of funds held by the Trustee under the Bond Indenture. Future revenues and expenses of the City will be affected by future events and conditions relating severally to, among other things, economic developments in the State of Oklahoma, the ability to control costs during inflationary periods and government regulation. All of the aforementioned could have negative effects on the ability of the Authority to pay the principal amount, premium, if any, and interest on the Series 2024 Bonds.

The Oklahoma Constitution requires that any funds of the City be appropriated on a year-to-year basis. The payments of the City to be made pursuant to the Projects Agreement shall be committed to the Authority on a year-to-year basis, subject to the annual appropriation of such monies by the City. It is anticipated that the City's commitment of such payments set forth in the Projects Agreement will be renewed on or about July 1 of each year. If the City should decide not to appropriate such monies or should the City take action to eliminate the commitment of payments, the Authority will have no funds to pay the debt service requirements of the Series 2024 Bonds.

The remedies available to the Trustee and the holders of the Series 2024 Bonds upon an event of default under the Bond Indenture are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, the remedies specified by the Bond Indenture may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2024 Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

The initial term of the Projects Agreement as it relates to the City's covenants and agreements ends June 30, 2024, the end of the City's fiscal year. The Projects Agreement may be renewed for successive annual periods commencing July 1, 2024, at the option of the City, upon written notice of the exercise of each such option from the City to the Authority given prior to the expiration of the then current term and the taking by the City of such official action as shall be required by applicable laws to affect such renewal and annual appropriation. Notice of such renewal shall be provided to the Trustee and the Authority, not later than July 31 of each year. The Authority has assigned the funds payable under the Projects Agreement to the Trustee pursuant to the terms of the Bond Indenture.

Notwithstanding anything to the contrary contained in the Projects Agreement, if the City does not appropriate funds to be paid to the Authority pursuant to the Projects Agreement for any fiscal year (other than the first fiscal year) during the term of the Projects Agreement, the City shall not be obligated to make payments for such non-appropriated fiscal year. In such event, the Authority will have no funds for the payment of indebtedness on the Series 2024 Bonds. The City shall notify the Authority in writing of any such non-appropriation as soon as the City so determines.

GLOBAL HEALTH EMERGENCY RISK

The outbreak of COVID-19 has had a widespread effect on global, national, state and local economic activity. As a result, the City has received funds federal and state agencies to assist with mitigating the risk of COVID-19. The City of Tulsa was awarded \$87.8 million in "ARPA" funds. City of Tulsa Recovery Plan lists the projects through July 31, 2023 can be found at the following website address under "American Rescue Plan Act (ARPA) > City of Tulsa Recovery Plan Report": <https://www.cityoftulsa.org/covidrelief>.

CERTAIN TAX MATTERS RESPECTING THE SERIES 2024 BONDS

The following is a summary of certain anticipated federal income tax consequences of the purchase, ownership and disposition of the Series 2024 Bonds under the Code and the Regulations and the judicial and administrative rulings and court decisions now in effect, all of which are subject to change or possible differing interpretations. This summary does not purport to address all aspects of federal income taxation that may affect particular investors in light of their individual circumstances, nor certain types of investors subject to special treatment under the federal income tax laws. This summary does not address owners that may be subject to special tax rules, such as banks, insurance companies, dealers in securities or currencies, purchasers that hold Series 2024 Bonds (or foreign currency) as a hedge against currency risks or as part of a straddle with other investments or as part of a "synthetic security" or other integrated investment (including a "conversion transaction") comprised of a Series 2024 Bond and one or more other investments, or purchasers that have a "functional currency" other than the U.S. dollar. This summary is not applicable to non-United States persons not subject to federal income tax on their worldwide income. This summary does not discuss the tax laws of any state other than Oklahoma or any local or foreign governments. Potential purchasers of the Series 2024 Bonds should consult their own tax advisors in determining the federal, state or local tax consequences to them of the purchase, holding and disposition of the Series 2024 Bonds.

Any federal tax advice contained in this Preliminary Official Statement was written to support the marketing of the Series 2024 Bonds and is not intended or written to be used, and cannot be used, by a taxpayer for the purpose of avoiding any penalties that may be imposed under the Code. All taxpayers should seek advice based on such taxpayers' particular circumstances from independent tax advisors. This disclosure is provided to comply with Treasury Circular 230.

Federal Income Taxation

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met subsequent to the issuance and delivery of the Series 2024 Bonds in order that interest on the Series 2024 Bonds be and remain excludable from gross income for federal income tax purposes under Section 103 of the Code. The Arbitrage and Use of Proceeds Certificate of the Authority, which will be delivered concurrently with the delivery of the Series 2024 Bonds, will contain provisions and procedures relating to compliance with the requirements of the Code. The Authority, in executing its Arbitrage and Use of Proceeds Certificate, will certify to the effect that it will comply with the provisions and procedures set forth therein and that it will do and perform all acts and things necessary or desirable to assure that interest paid on the Series 2024 Bonds is excludable from gross income under Section 103 of the Code. Noncompliance by the Authority with such provisions and procedures may require inclusion in gross income of interest on the Series 2024 Bonds retroactive to the date of issuance of the Series 2024 Bonds, regardless of when such noncompliance occurs.

Prospective purchasers of the Series 2024 Bonds should be aware that (a) Section 265 of the Code denies a deduction for interest on indebtedness incurred or continued to purchase or carry the Series 2024 Bonds or, in the case of a financial institution, that portion of a holder's interest expense allocated to interest on the Series 2024 Bonds (other than "qualified obligations"), and that the Series 2024 Bonds are not qualified obligations for this purpose, (b) with respect to insurance companies subject to the tax imposed by Section 831 of the Code, Section 832 (b)(5)(B)(i) reduces the deduction for loss reserves by 15 percent of the sum of certain items, including interest on the Series 2024 Bonds, (c) interest on the Series 2024 Bonds earned by some corporations could be subject to the environmental tax imposed by Section 59A of the Code, (d) interest on the Series 2024 Bonds earned by certain foreign corporations doing business in the United States could be subject to a branch profits tax imposed by Section 884 of the Code, (e) passive investment income including interest on the Series 2024 Bonds may be subject to federal income taxation under Section 1375 of the Code for Subchapter S corporations that have Subchapter C earnings and profits at the close of the taxable year if greater than 25 percent of the gross receipts of such Subchapter S corporation is passive investment income and (f) Section 86 of the Code requires recipients of certain Social Security and certain Railroad Retirement benefits to take into account in determining gross income, receipts or accruals of interest on the Series 2024 Bonds.

Assuming that the Authority complies with the provisions and procedures set forth in the Arbitrage and Use of Proceeds Certificate, in the opinion of Hilborne & Weidman, Bond Counsel, under existing statutes and court decisions, interest on the Series 2024 Bonds is excludable from the gross income of the recipients thereof pursuant to Section 103 of the Code for federal income tax purposes, and interest on the Series 2024 Bonds is not treated as a preference item in calculating alternative minimum taxable income on individuals ; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations for tax years beginning after December 31, 2023.

Original Issue Discount

The resulting discount on those Series 2024 Bonds which are sold at an initial offering price to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers) which is less than the principal amount of those particular Series 2024 Bonds constitute Original Issue Discount, which is excludable from the gross income for federal income tax purposes. Generally, such Original Issue Discount accretes actuarially on a constant interest rate basis over the term of the respective Series 2024 Bonds and the basis of such Series 2024 Bonds acquired at such initial offering price by an initial purchaser of the particular Series 2024 Bonds will be increased by the amount of such accreted interest.

Section 451 of the Code was amended by Pub. L. No. 115-97, enacted December 22, 2017 (sometimes referred to as the Tax Cuts and Jobs Act), to provide that taxpayers using an accrual method of accounting for federal income tax purposes generally will be required to include certain amounts in income, including original issue discount and market discount, no later than the time such amounts are reflected on certain financial statements of such taxpayer. The application of this rule may require the accrual of income earlier than would have been the case prior to the amendment of Section 451 of the Code. The rule generally applies to taxable years after 2017, except that in the case of income from a debt instrument having original issue discount, the rule does not apply until taxable years after 2018. Investors should consult their own tax advisors regarding the application of this rule and its impact on the timing of the recognition of income related to the Series 2024 Bonds under the Code.

Original Issue Premium

Certain maturities of the Series 2024 Bonds may be initially offered to the public at prices greater than the amounts payable thereon at maturity. As a result of the tax cost reduction requirements of the Code relating to amortization of bond premium, under certain circumstances an initial owner of Premium Bonds may realize a taxable gain upon disposition of such Premium Bonds even though they are sold or redeemed for an amount equal to such owner's original cost of acquiring such Premium Bonds. Owners of Premium Bonds are advised that they should consult with their own tax advisors with respect to the tax consequences of owning such Premium Bonds.

Oklahoma Taxation

In the opinion of Hilborne & Weidman, a professional corporation, Bond Counsel, to be delivered at the time of original issuance of the Series 2024 Bonds, the interest on the Series 2024 Bonds is exempt from Oklahoma income taxation.

No Other Opinions

The opinion to be rendered by Bond Counsel on the date of delivery of the Series 2024 Bonds is expected to be in substantially the form of Exhibit E hereto. Bond Counsel expresses no opinion regarding other federal, state or local tax consequences arising with respect to the Series 2024 Bonds.

State and Local Taxation. Except with respect to State of Oklahoma taxation, the discussion above does not address the tax consequences of purchase, ownership or disposition of the Series 2024 Bonds under any state or local tax law. Investors should consult their own tax advisors regarding state and local tax consequences.

Other Tax Consequences. The foregoing is not intended to be a complete description of all Federal or Oklahoma income tax consequences associated with an investment in the Series 2024 Bonds, and except as set forth in Bond Counsel's opinion (described above), Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Series 2024 Bonds should consult their own tax advisors regarding the particular tax consequences to them of an investment in such Series 2024 Bonds.

FINANCIAL STATEMENTS

The Basic Financial Statements for the City of Tulsa, Oklahoma for the fiscal year ended June 30, 2023 has been included herein as Exhibit "A". The Basic Financial Statements for the Authority for the fiscal year ended June 30, 2023 has been included herein as Exhibit "B". Exhibits "A" and "B" should be read in their entirety.

CREDIT RATING

S&P Global Ratings ("S&P") has assigned a rating of "AA-" to the Series 2024 Bonds. Such rating reflects only the view of such organization at the time such ratings are given and the Authority makes no representations as to the appropriateness of such ratings. An explanation of the significance of such ratings may be obtained only from such rating agency. The Authority furnished such rating agency with certain information and materials relating to the Series 2024 Bonds that have not been included in this Preliminary Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies and assumptions by the rating agencies. There is no assurance that a particular rating will be maintained for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the agency originally establishing such rating, circumstances so warrant. The Authority has not undertaken any responsibility to bring to the attention of the owners of the Series 2024 Bonds any proposed revision or withdrawal. Any such revision or withdrawal of such a rating could have an adverse effect on the market price and marketability of the Series 2024 Bonds.

UNDERWRITING

The Bonds have been sold to _____ pursuant to a competitive bid taken by the Authority on March 28, 2024.

LEGAL MATTERS

The issuance of the Series 2024 Bonds is subject to the approval of Hilborne & Weidman, a professional corporation, Tulsa, Oklahoma, Bond Counsel, which will render an opinion in substantially the form attached as Exhibit E. Certain legal matters will be passed upon for the Authority and the City by the office of Jack Blair, City Attorney for the City of Tulsa, Oklahoma. The legal fees of all legal counsel are contingent upon the sale and delivery of the Series 2024 Bonds. The various legal opinions to be delivered concurrently with the delivery of the Series 2024 Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of the expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

Bond Counsel has participated in the preparation, and has reviewed those portions, of this Preliminary Official Statement pertaining to the Series 2024 Bonds, the tax status of interest on the Series 2024 Bonds, the provisions of the Bond Indenture and the matters of law contained under "SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS"; "THE SERIES 2024 BONDS"; "CERTAIN TAX MATTERS RESPECTING THE SERIES 2024 BONDS," and "LEGAL MATTERS" and "EXHIBIT D--SUMMARY OF CERTAIN PROVISIONS OF THE DOCUMENTS" ; and "EXHIBIT E--PROPOSED FORM OF OPINION OF BOND COUNSEL." Bond Counsel has not been retained to pass upon, and will not express any opinion upon, any other information contained in this Preliminary Official Statement.

LITIGATION

Except as discussed below, the Authority is not a party to any litigation or any other proceedings pending or to its knowledge, threatened, in any court, agency, or other administrative body (either state or federal, which, if decided adversely to the Authority, would have a material effect on the financial statements of the Authority.

On August 8, 2017, the United States Court of Appeals for the Tenth Circuit issued an opinion in the case of *Murphy v. Royal*, 866 F.3d 1164 (10th Cir. 2017), and on November 9, 2017, issued an amended opinion, 875 F.3d 896 (10th Cir. 2017). In its opinion, the Tenth Circuit concluded that the United States Congress has not disestablished the Creek Reservation recognized by treaty in 1866. The external boundaries of the 1866 Reservation include much of the eastern portion of the current State of Oklahoma, including a portion of the boundaries of the City. The Court of Appeals concluded, accordingly, that the land within the external boundaries of the 1866 Reservation constitutes “Indian country” within the meaning of the federal Major Crimes Act (18 U.S.C.A. § 1151, et seq.).

On February 6, 2018, the State of Oklahoma filed a petition for a writ of certiorari with the United States Supreme Court. The Supreme Court heard oral arguments on November 27, 2018, and accepted supplemental briefs on December 28, 2018. In June of 2019, the case was restored to the calendar for re-argument. The Court first decided to hear the similar case of *McGirt v. Oklahoma* (No. 18-9526) being directly appealed from the Oklahoma Court of Criminal Appeals. Arguments for *McGirt* were heard before the Supreme Court on May 11, 2020. On July 9, 2020, the Supreme Court held that land throughout much of eastern Oklahoma reserved for the Creek Nation since the 19th century remains Indian Country for purposes of the Major Crimes Act. Also, on July 9, 2020 the Supreme Court affirmed in a per curiam opinion, the judgment of the U.S. Court of Appeals of the 10th Circuit, for the reasons stated in *McGirt v. Oklahoma*.

The Oklahoma Court of Criminal Appeals applied the same reasoning to the Cherokee Nation’s reservation, which also includes a portion of the City of Tulsa. See *Hogner v. State of Oklahoma*, No. F-2018-138 (decided March 11, 2021).

On April 13, 2022, in *Hooper v. City of Tulsa*, the United States District Court for the Northern District of Oklahoma held “that the Curtis Act grants the municipalities in its scope (including the City of Tulsa) jurisdiction over violations of municipal ordinances by any inhabitant of those municipalities, including Indians.” The relevant portion of the 1898 statute (Section 14) provides that “all inhabitants of such cities and towns, without regard to race, shall be subject to all laws and ordinances of such city or town governments, and shall have equal rights, privileges, and protections therein.” However, the Tenth Circuit of Appeals held on June 28, 2023, that Section 14 of the Curtis Act no longer applies to Tulsa, therefore the district court erred in granting Tulsa’s Rule 12(b)(6) motion to dismiss Mr. Hooper’s declaratory judgment claim. The United States Supreme Court denied an application for an emergency stay in the matter, and the case was remanded to the District Court for further proceedings. On remand, the District Court held that it lacks subject matter jurisdiction over Mr. Hooper’s appeal from the municipal court and dismissed the appeal without prejudice. The District Court declined to consider Mr. Hooper’s request for declaratory relief.

On, November 15, 2023, the Muscogee (Creek) Nation filed a complaint in the federal District Court seeking injunctive relief and a declaration that the City lacks criminal jurisdiction over Indians for conduct occurring within the Creek Reservation. *Muscogee (Creek) Nation v. City of Tulsa*, 23-cv-490 (N.D. Okla. Nov. 15, 2023). On December 8, 2023, the City filed a motion to dismiss and a brief in opposition to the plaintiff’s motion for a preliminary injunction.

The City of Tulsa continues to apply and enforce its traffic laws against all inhabitants, including Indians, during the pendency of the litigation.

Other traffic citation cases are pending in the City’s Municipal Court and the Oklahoma Court of Criminal Appeals, addressing issues similar to those addressed in *Hooper v. City of Tulsa*. See e.g. *City of Tulsa v. O’Brien*, No. 720766, Municipal Criminal Court of the City of Tulsa, Oklahoma (dismissed Aug. 17, 2023); *Stitt v. City of Tulsa*, No. M-2022-984, Oklahoma Court of Criminal Appeals (appeal filed Nov. 7, 2022).

On June 29, 2022, the United States Supreme Court held in *Oklahoma v. Castro-Huerta* (No. 21–429) that the Federal Government and the State have concurrent jurisdiction to prosecute non-Indians who commit crimes against Indians in Indian Country.

Although these cases arise in a criminal law context, the Supreme Court's holding in *McGirt v. Oklahoma* may affect the application of civil law and have regulatory consequences within the same geographic territory, with potential direct and indirect effects upon the State and its political subdivision within such geographic territory, including the City. To date, litigation involving the City has rejected expanding *McGirt* in such a manner. See, *Nicholson v. Stitt, et al.*, Case No. CJ-2020-094, Okmulgee County District Court, Case No. CJ-2020-094. *Nicholson* involved a class action filed against most municipalities in Creek, Tulsa and Okmulgee counties, including the City, seeking recovery of fines levied against Native American defendants. On November 24, 2020, the *Nicholson* case was dismissed with prejudice in favor of the City and was appealed to the Oklahoma Supreme Court. On April 19, 2022, the Oklahoma Supreme Court affirmed the district court's dismissal and mandate was issued on May 11, 2022.

Notwithstanding *Nicholson*, application of *McGirt* to other areas of State jurisdiction, such civil action, tax, zoning, land use, etc., could affect the way the State and its political subdivisions interact with Indian Country. For instance, IF IT IS DETERMINED THAT THE CITY IS UNABLE TO LEVY AND COLLECT AD VALOREM TAXES ON PROPERTY OWNED BY INDIANS IN THE ORIGINAL BOUNDARIES OF THE CREEK NATION OR CHEROKEE NATION RESERVATIONS, THEN THE CITY WOULD NEED TO INCREASE THE MILLAGE THAT WOULD BE ASSESSED ON THE REMAINING PROPERTY IN THE CITY IN ORDER TO COLLECT THE AMOUNT NECESSARY TO PAY THE PRINCIPAL AND INTEREST ON THE BONDS.

There is not litigation now pending or, to the knowledge of Authority officials, threatened which in any manner seeks to restrain or enjoin or in any way limit the approval or the issuance and delivery of the Official Statement or the Bonds or the proceedings or Authority under which they are to be issued. There is no litigation pending, or to the knowledge of the Authority, threatened which in any manner challenges or threatens the powers of the Authority to enter into or carry out the transactions contemplated herein.

CERTIFICATE WITH RESPECT TO PRELIMINARY OFFICIAL STATEMENT

At the time of original delivery of and payment for the Series 2024 Bonds, the Authority will deliver a certificate addressed to the Purchaser to the effect that to the best of their knowledge and belief: (a) this Preliminary Official Statement, both as of its date and as of the date of delivery of the Series 2024 Bonds, does not contain any untrue statement of material fact or omit to state a material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading and (b) between the date of this Preliminary Official Statement and the date of delivery of the Series 2024 Bonds there has been no material change in the affairs (financial or other), financial condition or results of operations of the City except as set forth in or contemplated by this Preliminary Official Statement.

CONTINUING DISCLOSURE AND OTHER AGREEMENTS OF THE AUTHORITY

The Authority has covenanted for the benefit of the Bondholders to provide certain financial information and operating data relating to the Authority and the City by not later than six months after the end of the respective fiscal year, commencing with fiscal year ending June 30, 2023 (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events, if deemed by the Authority to be material. The Annual Report and the notices of material events will be filed by the Authority with the Municipal Securities Rulemaking Board. The specific nature of the information to be contained in the Annual Report or the notices of material events is summarized below under the caption "Exhibit F – Form of Continuing Disclosure Certificate." These covenants have been made in order to assist the Underwriters in complying with S.E.C. Rule 15c2-12.

On April 13, 2017 the Authority filed a Failure to provide Annual Financial Information for calendar year 2013 and 2014 in connection with a transaction completed for the Tulsa Authority for Recovery of Energy ("TARE"). The Authority filed the TPFA Financial Statements and the City's ACFR for those years but failed to file the Financial Statements of TARE. On April 13, 2017 the Authority filed such Financial Statements of TARE for years 2013 and 2014. The Authority continues to strive to meet all obligations under its continuing disclosure agreements.

The Authority has covenanted to provide the Official Statement to the purchaser within seven business days after final agreement to purchase, offer, or sell the Bonds in an offering in sufficient time to accompany any confirmation that request payment from any customer. These covenants have been made in order to assist the purchaser in complying with SEC Rule 15c2-12.

DEEMED FINAL

The authority has certified that the Preliminary Official Statement was deemed final as of its date for purposes of rule 15c2-12(b), except for the information not required to be included therein under rule 15c2-12(b). Concurrently with the delivery of the Series 2024 Bonds, the Authority will furnish a certificate executed on behalf of the Authority by the undersigned to the effect that the Preliminary Official Statement, as of the date of the Preliminary Official Statement and as of the date of delivery of the Series 2024 Bonds, does not contain any untrue statement or a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

MISCELLANEOUS

Information concerning the Authority, the Sources and Uses of Funds and the Series 2024 Bonds contained in this Preliminary Official Statement has been furnished by the Authority.

The foregoing summaries or descriptions of provisions in the Bond Indenture and the Projects Agreement, and all references to other materials not purporting to be quoted in full, are only brief outlines of certain provisions thereof and do not constitute complete statements of such provisions and do not summarize all the pertinent provisions of such provisions. For further information, reference should be made to the complete documents, copies of which are on file at the corporate trust offices of the Trustee for examination and will be furnished by the Authority upon request.

All projections and other statements in this Preliminary Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Preliminary Official Statement is not to be construed as a contract or agreement between the Authority and the purchasers or holders of any of the Series 2024 Bonds.

This Preliminary Official Statement has been approved by the Authority.

TULSA PUBLIC FACILITIES AUTHORITY

By: /s/Kathy Taylor

Chair of Trustees

EXHIBIT "A"

**BASIC FINANCIAL STATEMENTS OF THE CITY OF TULSA, OKLAHOMA
FOR THE YEAR ENDED JUNE 30, 2023**

PUBLIC SERVICE

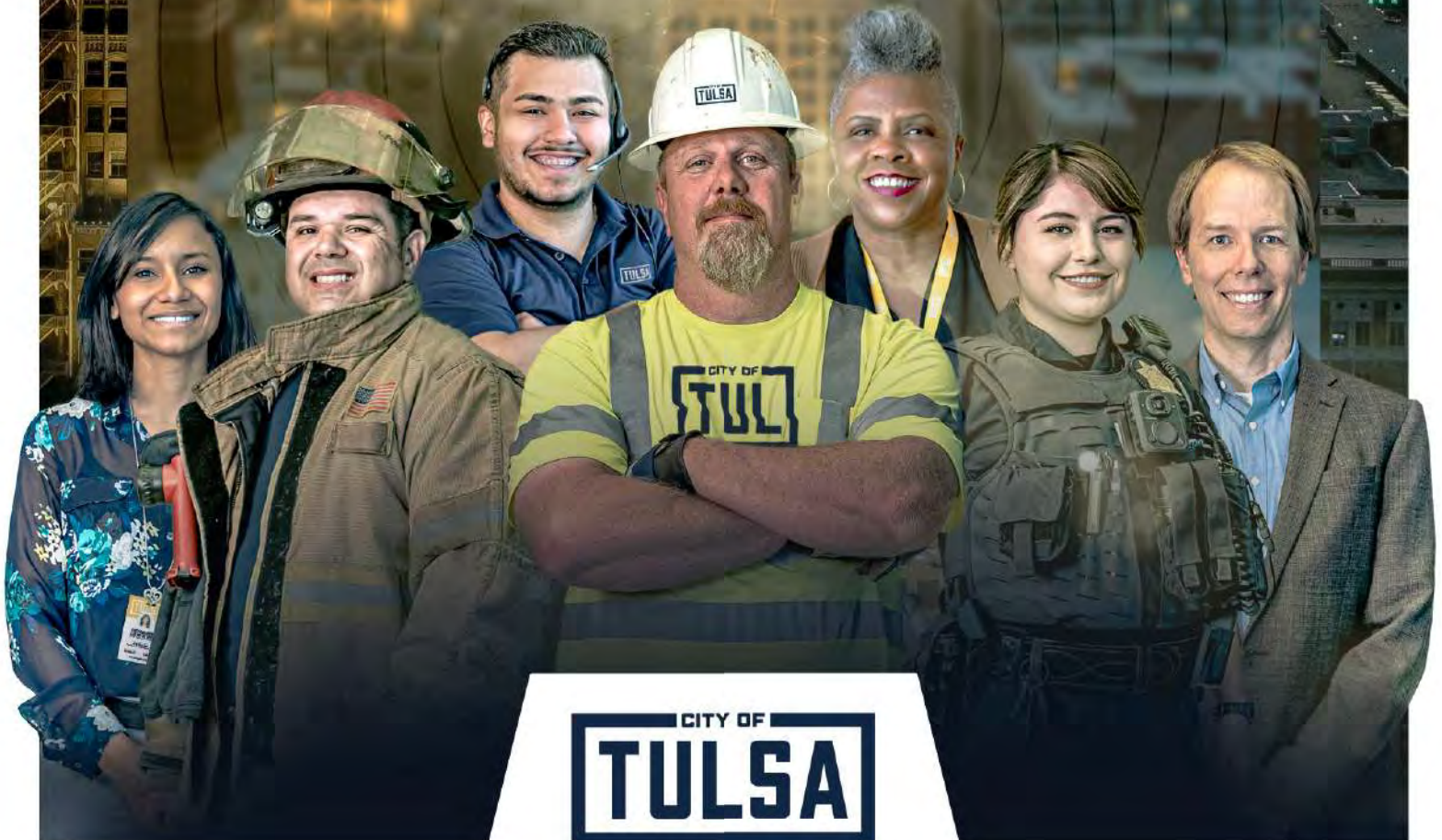
City of Tulsa, Oklahoma

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended: June 30, 2023

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PUBLIC SERVICE

City of Tulsa, Oklahoma

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended: June 30, 2023

Mayor:

G.T. BYNUM

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Director of Finance:

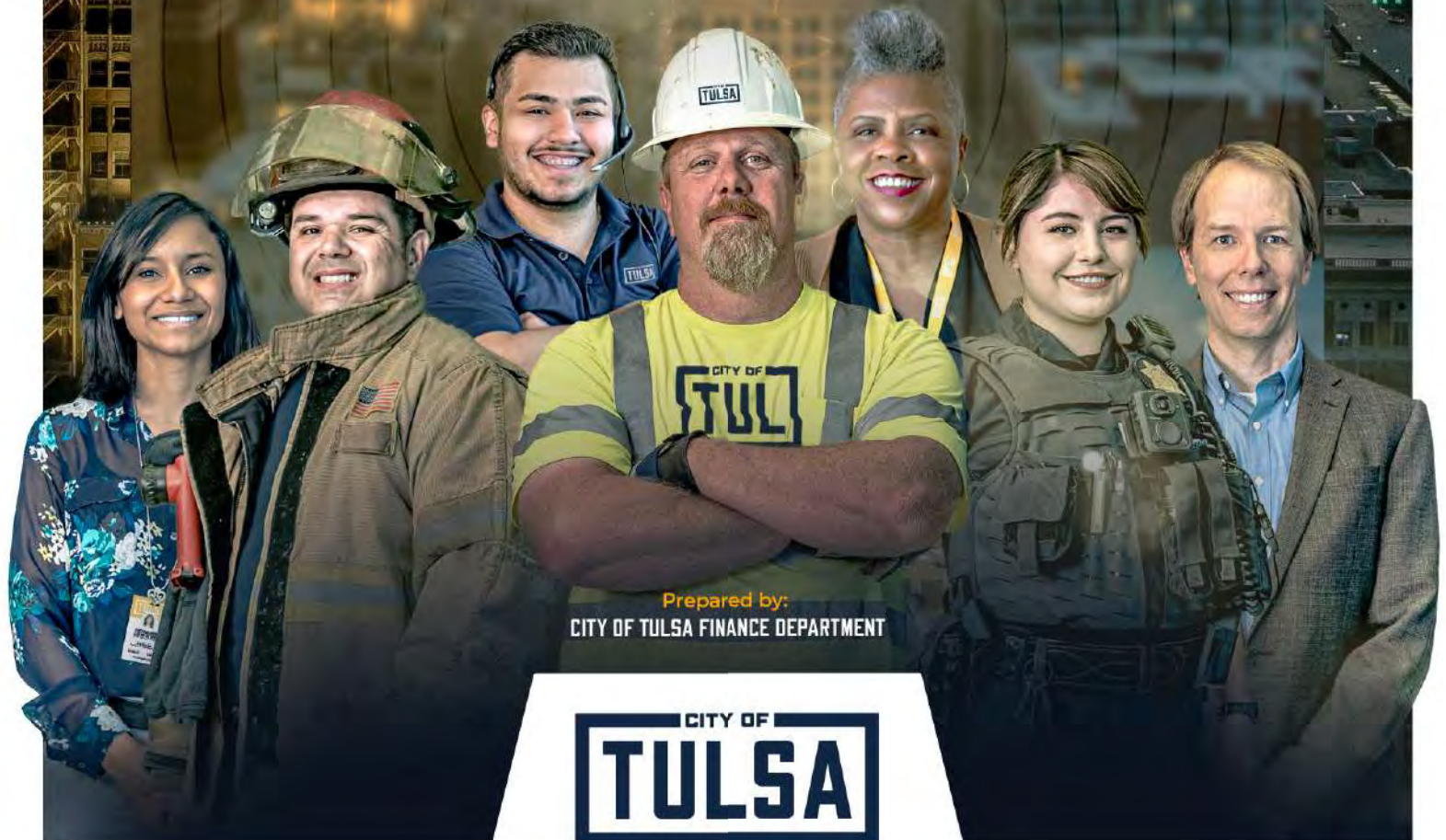
TAMMY PITTS

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Controller:

CHRISTINA BASGALL

CPA, CPFO



Prepared by:

CITY OF TULSA FINANCE DEPARTMENT



CITY OF TULSA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Year ended June 30, 2023

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ANNUAL COMPREHENSIVE FINANCIAL REPORT
Year ended June 30, 2023

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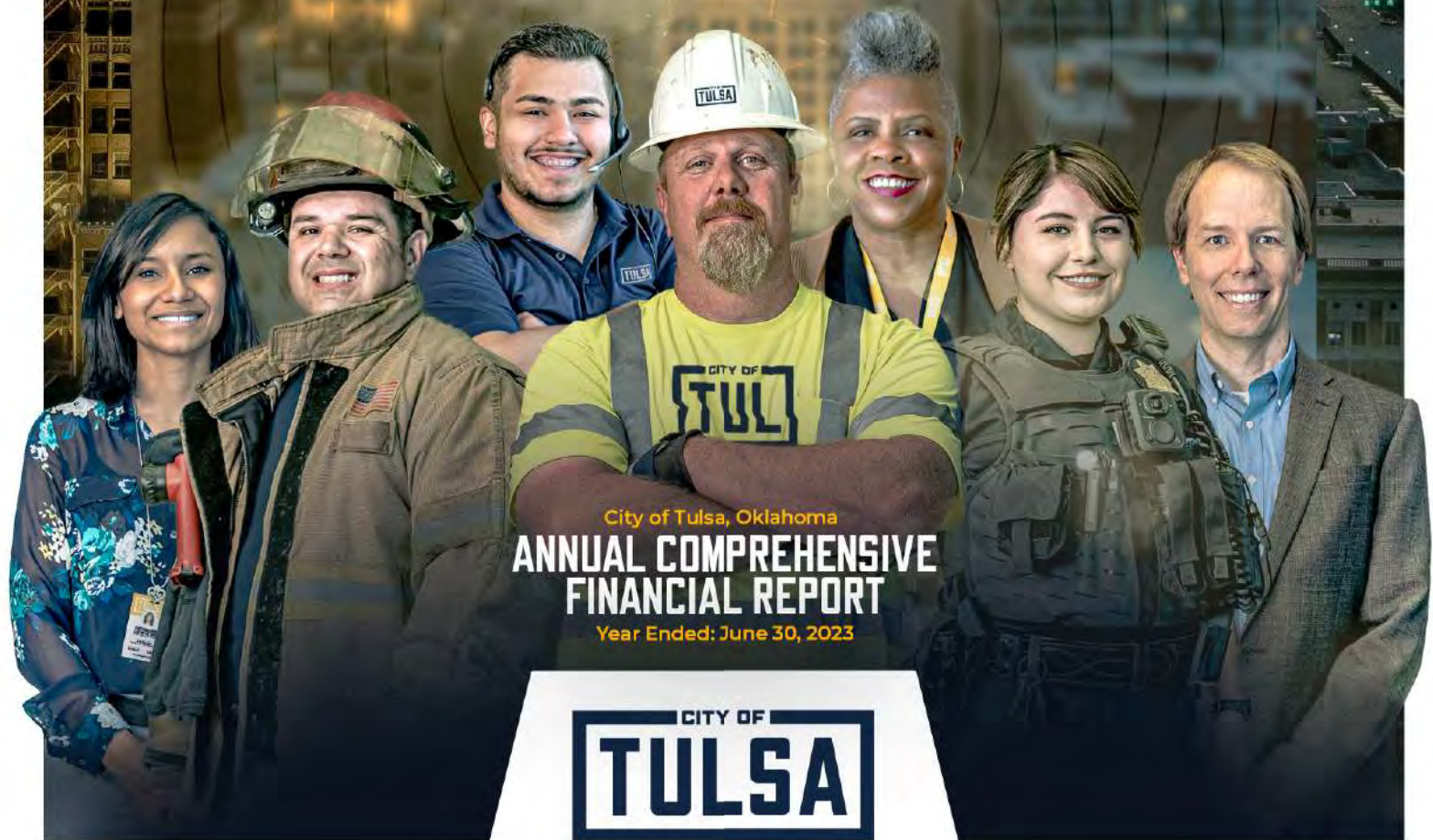
PUBLIC SERVICE

Section 1

INTRODUCTORY SECTION

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City of Tulsa, Oklahoma
**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**
Year Ended: June 30, 2023





FINANCE

DATE:

December 21, 2023

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

We are pleased to submit to you the Annual Comprehensive Financial Report of the City of Tulsa, Oklahoma (the City) for the year ended June 30, 2023. The Annual Comprehensive Financial Report 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 Annual Comprehensive Financial Report 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, 2023. 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 Annual Comprehensive Financial Report.

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.



FINANCE

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 61 degrees and the average annual rainfall is 41 inches. With its temperate climate, the City experiences continually changing weather conditions during all four seasons of the year.

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 416,408 people, representing a slight increase over 2022. 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 1,034,123 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:

Services

Water and sewer systems
Refuse collection and disposal
Airport
Urban redevelopment
Public transportation
Performing Arts
Social and economic development
Commercial leasing
Arena and convention
Sporting events venue
Economic development

Entity

Tulsa Metropolitan Utility Authority
Tulsa Authority for Recovery of Energy
Tulsa Airports Improvement Trust
Tulsa Development Authority
Metropolitan Tulsa Transit Authority
Tulsa Performing Arts Center Trust
Tulsa Authority for Economic Opportunity
Tulsa Public Facilities Authority
Tulsa Public Facilities Authority
Tulsa Stadium Trust
Tulsa International Airport Development Trust



FINANCE

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 City Council must adopt the budget each fiscal year at least seven days prior to July 1. A second year annual plan is approved by the Mayor and Council with the adopted budget. The adopted budget and the following year approved plan provide greater fiscal understanding to the process.

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 category, 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 category to category 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 category to another category 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

Tulsa has evolved over the years and now has a widely diversified economy. A few of the city's main industries are health care, manufacturing, energy, aerospace, banking, and education. The Tulsa Metropolitan Chamber of Commerce reported in 2020 that several of these sectors have disproportionately large concentrations of employment relative to the U.S. average. "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 industries are located within the metro area due to the friendly cost of business and relatively low taxes. Over the last decade, many families and individuals have re-located to the area from other states and find the low cost of living very attractive.



Based on the 2020 Census, the Tulsa Metropolitan Statistical Area (TMSA) is comprised of just over 1 million residents. The TMSA makes up roughly 26% of the state's total population. The population of the City itself was estimated to be 416,408. Tulsa's economy remains vibrant and growing; it represents about 31% of Oklahoma's total economy.

Tulsa is home to several large corporations such as: QuikTrip, BOK Financial, ONEOK, and The Williams Companies. In fact, BOK has naming rights to the large, popular downtown arena known as the BOK Center. This venue has been attracting very talented and successful musicians, sports teams, and entertainers since it opened its doors in 2008. Long regarded as a regional gem in culture and entertainment, the International Entertainment Buyers Association declared the BOK Center "US Arena of the Year" for the third year in a row. In addition, the Brookings Institute recognized Tulsa as a top performer among US metro areas for Growth and Inclusion (economic growth as an outcome of regional planning).

Sporting one of the lowest average commute times in the nation, residents find driving around the metro area much more convenient compared to other similar sized cities. The latest data, as reported by the Bureau of Labor Statistics in July 2023, shows the Tulsa Metro area at 3.1% unemployment. This is a substantial improvement from 2020, when significant economic hardship was experienced due to the COVID-19 pandemic.

Bond Ratings

In their report dated July 21, 2022, Standard and Poor's assigned and affirmed an AA rating with a stable outlook to the City's general obligation bonds. Moody's Investors Service assigned and affirmed the City an Aa1 rating with a stable outlook in their report dated January 17, 2023.

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.



FINANCE

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 transfer payments. Local voters have continually validated this approach, approving mostly all of the GO bond and sales tax proposals since the elected officials adopted the formal Capital Improvements Planning process. For example, the recent sales tax programs (since 2014), which were 3 iterations of "Improve Our Tulsa" as well as "Vision Tulsa", were all approved by voters on first voting attempt.

Financial Policies

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

Such policies, as shaped by state law and Government Finance Officers Association of the United States and Canada (GFOA) Best Practices, advise that total resources will be sufficient to support current operating expenses and in no case shall more than 5% of the operating budget be supported by the use of prior year's fund balance. Additionally, the City has established and shall maintain an operating reserve in the General Fund to provide for revenue shortfalls or to meet unexpected increases in service delivery costs. The reserve is set annually and was set at 10.0% of the General Fund estimated revenues for 2023.

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 \$13.0 million in 2023.

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 past year. These projects provide enhancements for the general public with anticipated positive impacts on revenue and expenditure trends in the future.



FINANCE

- *Community Response Team* – The City Council made it clear that expansion of the Community Response Team was a high priority, and the City will dedicate funds to expand the CRT mobile mental health crisis response from 3 to 5 days per week which will allow the hiring of a civilian Clinical Services Coordinator to help the CRT team address the root causes of mental health crisis. This will improve the City's ability to effectively assist people suffering a mental health emergency and reduce their future reliance on 911 for services.
- *Real-Time Information Center* – The FY2023 Budget allocated funds for the establishment of a real-time information center for the Tulsa Police Department. This center will consolidate camera feeds from throughout the city to assist officers in responding to crimes more effectively and enable the collection of more evidence during follow-up investigations. These cameras can be used to monitor high-crime areas, ensuring a response even in the absence of witnesses. In our current system, victims would have had to fend for themselves and call for help after their attacker left. With the real-time information center in place, officers are immediately dispatched to rescue those in need. This will be the most significant fundamental improvement in police capabilities in Tulsa in decades.
- *Customer Service Initiative* – Improving customer service was another priority within the FY2023 Budget. The budget included 10 additional customer care agent positions in order to decrease wait times for customers needing information regarding utility bills, as well as aid in reporting other issues like code violations and animal welfare complaints. There will also be a collaboration between the departments providing utility-related services (Finance, Customer Care, Water & Sewer, Streets & Stormwater) to ensure staff is using new technology resources with maximum efficiency and effectiveness and orienting services around customer needs.
- *Capital Equipment Study and Reserve* – Inflationary pressures and supply chain disruptions have significantly driven up the costs of replacing routine equipment and fleet. This has caused lengthy delays in replacement, as well as significantly increased costs; both of which have ultimately impacted the daily service levels of City departments. To address this issue, the FY2023 Budget provided funding to conduct a thorough study on the current state of departments' operating capital needs, as well as to recommend an efficient financial plan going forward which would best mitigate currently unpredictable and rising costs. This study would include a more extensive inventory of existing assets and their respective life cycles, more cost-effective directives for asset replacement, and financial modeling to maximize the efficiency of timing and costs within future schedules. To this end, a one-time transfer in FY2023 of \$8.4 million has been made from the General Fund to the Special Capital Projects Fund in order to both implement plan recommendations as well as address any inflationary impact of already budgeted equipment.
- *Improve Our Tulsa 2023* – On August 8, 2023, voters approved a third Improve Our Tulsa package funded by General Obligation Bonds and a sales tax extension. This renewal of Improve Our Tulsa will finance improvements to identified City facilities and sites, as well as provide capital funding for public safety equipment and street maintenance. And this extension will not result in increased taxes for Tulsans. It builds upon the success of previous Improve Our Tulsa funding packages, ensuring the necessary funding to complete voter-approved street projects. The funding package includes a 0.95 percent temporary sales tax for streets, infrastructure, City equipment and facilities, along with property-tax financed General Obligation Bonds issued by the City of Tulsa.



FINANCE

- **Tax Abatements** – The City utilizes both property and sales tax abatements to spur economic growth through redevelopment and new development in areas of unproductive, undeveloped, underdeveloped or blighted areas. Successfully completed tax abatement programs have increased property and sales taxes beyond the tax abated.

Awards

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Tulsa for its Annual Comprehensive Financial Report for the year ended June 30, 2022. This was the 41st 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 Annual Comprehensive 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 Annual Comprehensive 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 2023 annual budget document. This was the 28th 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.

A handwritten signature in black ink, appearing to read "C. Basgall".

Christina Basgall, CPA, CPFO
Controller

A handwritten signature in black ink, appearing to read "TPitts".

Tammy Pitts
Director of Finance

CITY OF TULSA,
LIST OF PRINCIPAL OFFICIALS
As of June 30, 2023

MAYOR

G. T. Bynum

CITY COUNCIL MEMBERS

Vanessa Hall-Harper.....	District 1
Jeannie Cue	District 2
Crista Patrick.....	District 3
Laura Bellis	District 4
Grant Miller	District 5
Christian Bengel	District 6
Lori Decter Wright	District 7
Phil Lakin, Jr.....	District 8
Jayne Fowler.....	District 9

CHIEF ADMINISTRATIVE OFFICER

Keri Fothergill

CHIEF OF STAFF

Blake Ewing

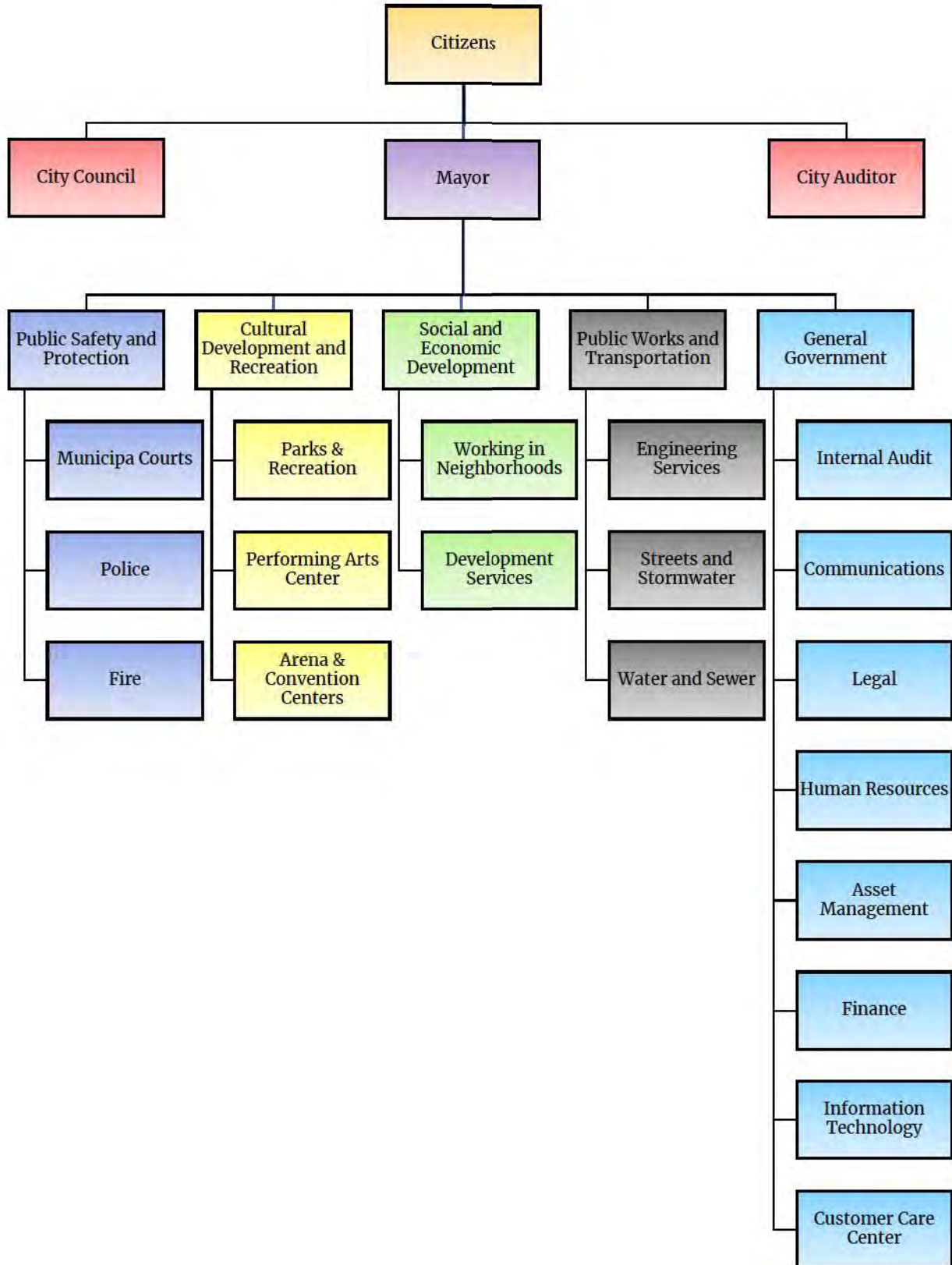
DIRECTOR OF FINANCE

Tammy Pitts

CITY AUDITOR

Cathy Carter

ORGANIZATIONAL CHART





Government Finance Officers Association

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

Presented to

**City of Tulsa
Oklahoma**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

Independent Auditor's Report

RSM US LLP

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

Opinions

We have audited 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, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying 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, 2023, 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.

We did not audit the financial statements of the Tulsa Performing Arts Center Trust (TPACT), a discretely presented component unit, which represents 0.4%, 0.5% and 1.8% of the assets, net position, and revenues of the aggregate discretely presented component units as of June 30, 2023. We did not audit the financial statements of the Tulsa Stadium Trust (TST), a blended component unit, which is both a major fund and 4.7%, 2.7%, and 0.6%, respectively, of the assets, net position, and revenues of the business-type activities as of June 30, 2023. Those statements were audited by other auditors whose reports have been furnished to us and our opinions, insofar as it relates to the amounts included for TPACT and TST, are based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the pension and other postemployment benefit information, and the Budgetary Comparison schedule, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary 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, budgetary comparison schedules, and capital asset 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 GAAS. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules, and capital asset schedules, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

RSM US LLP

Kansas City, Missouri
December 21, 2023

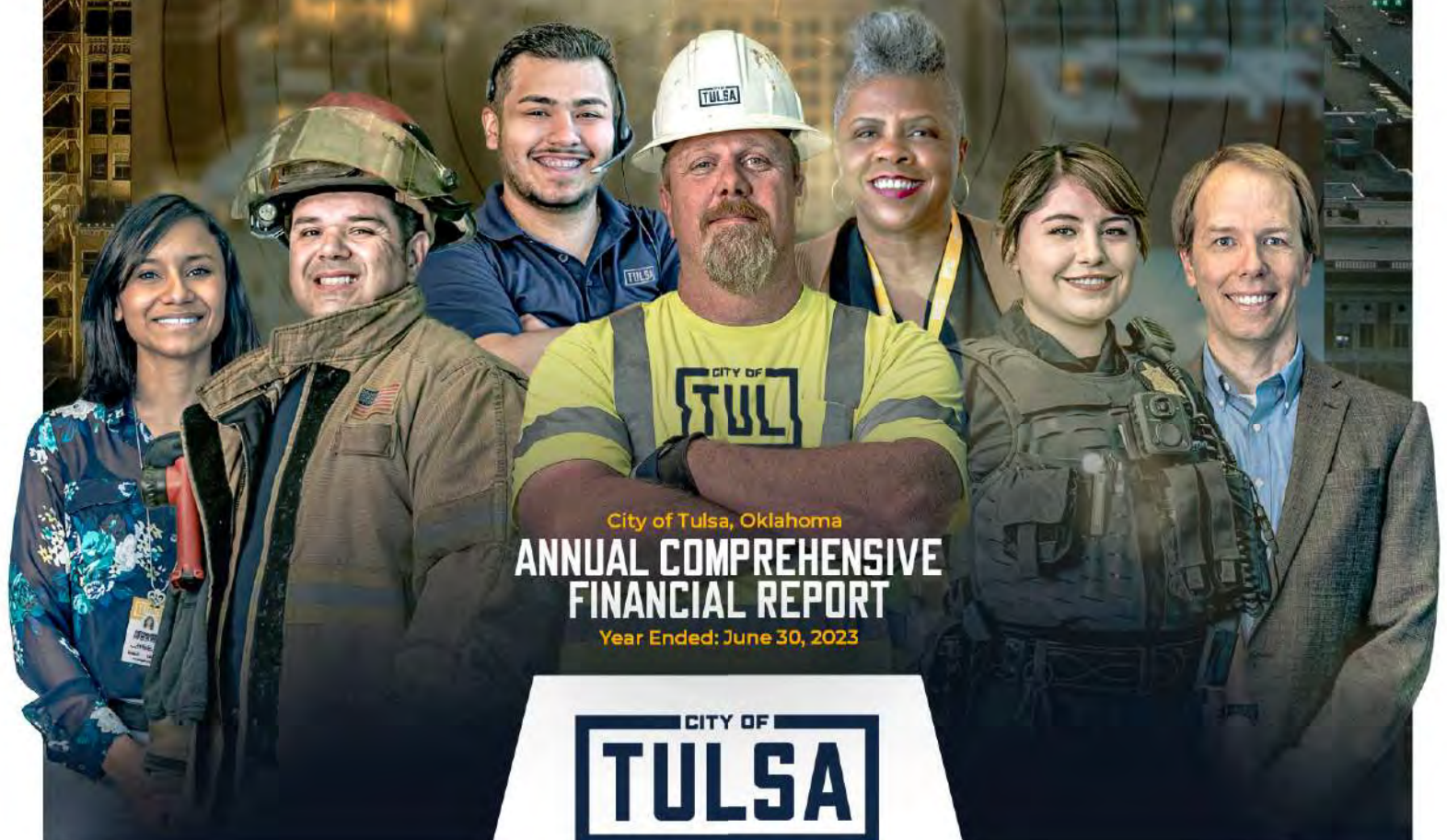
PUBLIC SERVICE

Section 2

FINANCIAL SECTION

USA

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City of Tulsa, Oklahoma

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended: June 30, 2023



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, 2023. 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 2023, contain an implied reference to the fiscal year, such as "fiscal year 2023."

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at year end by \$2,777,231 (*net position*). Included as a component of net position is unrestricted net position with a deficit of \$83,138. This deficit results primarily from the net pension liability.
- The City's total net position increased \$180,062. Revenues and expenses increased \$128,389 and \$65,897, respectively, compared to the prior year.
- At the close of the current year, the City's governmental funds reported combined fund balances of \$898,641, a decrease of \$20,488 in comparison with the prior year. Approximately 9% of this amount (\$80,114) 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 \$116,393, or approximately 33% of total general fund expenditures.
- The City's long-term liabilities increased by \$41,495 during the current year primarily due to increase in pension liabilities of approximately \$88,191, offset by regular debt payments on bonds.
- The sales tax and use tax revenue increased \$23,423 due to the strong local economy. Investment income increased \$40,231 over the prior year in the City's governmental funds after recording a large decline in the fair value of investments in the prior year.

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 eight other entities in its report—Tulsa Metropolitan Utility Authority, Tulsa Authority for Recovery of Energy, Tulsa Airports, Tulsa Authority for Economic Opportunity, and the Other Component Units comprising of the Tulsa Development Authority, Metropolitan Tulsa Transit 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. The City is also the custodian for certain funds held for others. 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, 2023, the City's *combined* net position was \$2,777 million. Total assets and deferred outflows increased \$103 million or 2.5% while liabilities and deferred inflows of resources decreased \$77 million or 5.2%. The net position of Governmental activities increased 8.5% to \$2,165 million in 2023 from \$1,996 million in 2022. Net position of the Business-type activities was \$612 million in 2023 up 1.9% from \$601 million in 2022.

Government-Wide Financial Analysis, continued

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 1,212,665	\$ 1,248,888	\$ 132,037	\$ 115,061	\$ 1,344,702	\$ 1,363,949
Capital assets	2,087,141	1,997,373	646,759	641,403	2,733,900	2,638,776
Total assets	3,299,806	3,246,261	778,796	756,464	4,078,602	4,002,725
Deferred outflows of resources	110,749	83,570	3,455	3,900	114,204	87,470
	3,410,555	3,329,831	782,251	760,364	4,192,806	4,090,195
Current and other liabilities	285,269	252,148	42,052	29,282	327,321	281,430
Long-term liabilities	859,862	821,361	114,975	111,981	974,837	933,342
Total liabilities	1,145,131	1,073,509	157,027	141,263	1,302,158	1,214,772
Deferred inflows of resources	100,302	259,937	13,115	18,317	113,417	278,254
	1,245,433	1,333,446	170,142	159,580	1,415,575	1,493,026
Net position:						
Net investment in capital assets	1,716,094	1,599,000	560,594	555,093	2,276,688	2,154,093
Restricted	569,160	533,382	14,521	17,830	583,681	551,212
Unrestricted	(120,132)	(135,997)	36,994	27,861	(83,138)	(108,136)
	\$ 2,165,122	\$ 1,996,385	\$ 612,109	\$ 600,784	\$ 2,777,231	\$ 2,597,169

The largest portion of the City's net position (82%) 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.

	Percent of Total	
Net position category:	2023	2022
Net investment in capital assets	82%	83%
Restricted	21%	21%
Unrestricted	-3%	-4%
	100%	100%

Government-Wide Financial Analysis, continued

Changes in Net Position of the City of Tulsa – The City's net position increased \$180 million compared to the prior year increase of \$117.6 million. The Governmental activities and Business-type activities had an increase of \$168.7 million and \$11.3 million, respectively.

The City's total revenues increased 17.9% to \$841 million in 2023. Program revenue generated \$251.2 million, consisting of charges for services, federal and state grants, and capital grants/contributions, up from \$195.2 million in 2022. Charges for services increased \$27 million over the prior year led by \$12 of revenue related to opioid settlements. Capital grants and contributions increased \$6.9 million for donations for related to the Gilcrease museum and Tulsa Zoo, \$3.5 million for stormwater and \$3.3 million for leasing activities adjacent to the Tulsa International Airport.

Sales taxes, the largest revenue category, increased 5% to \$344 million in 2023 from \$327 million in 2022. The increase is a result of improving economic conditions as the effects of the COVID-19 pandemic subsided. Use taxes increased to \$65.8 million in 2023 from \$59.4 million in 2022 due to continued increases in collections from online retailers. Other revenues increased to \$42 million in 2023 from a loss of \$4 million in 2022 due primarily to the decline in fair value of investments held in the City's pooled portfolio in 2022.

Expenses for the primary government increased 11% or \$65.9 million to \$661.7 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:

- Public safety and protection expenses totaled \$274.4 million, an increase of \$58.8 million (27.3%). The increase is primarily attributed to increased salaries and benefits, including pensions.
- Social and economic development expenses decreased \$16.8 million (21.1%) to \$62.7 million, primarily from decrease in capital funding to outside entities, most significantly in 2022 \$15 million was provided to River Parks for a pedestrian bridge over the Arkansas River.
- General government expenses increased \$6.9 million (8.9%) to \$83.7 million, primarily from increased salaries and benefits.

Government-Wide Financial Analysis, continued

	Changes in Net Position					
	Governmental		Business-type		Total	
	Activities		Activities			
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues:						
Charges for services	\$ 84,226	\$ 70,286	\$ 80,999	\$ 67,509	\$ 165,225	\$ 137,795
Operating grants/contributions	53,764	46,704	-	-	53,764	46,704
Capital grants/contributions	17,579	3,241	14,680	7,490	32,259	10,731
General revenues:						
Sales taxes	344,070	327,026	-	-	344,070	327,026
Property taxes	82,860	82,468	-	-	82,860	82,468
Franchise	32,224	26,282	-	-	32,224	26,282
Use tax	65,828	59,449	-	-	65,828	59,449
Hotel/Motel taxes	9,355	8,711	-	-	9,355	8,711
Intergovernmental revenue	13,991	18,044	-	-	13,991	18,044
Other	39,946	(3,017)	2,192	(868)	42,138	(3,885)
	<u>743,843</u>	<u>639,194</u>	<u>97,871</u>	<u>74,131</u>	<u>841,714</u>	<u>713,325</u>
Expenses:						
General government	83,706	76,846	-	-	83,706	76,846
Public safety & protection	274,382	215,570	-	-	274,382	215,570
Public works & transportation	102,140	94,683	-	-	102,140	94,683
Culture & recreation	33,860	33,100	-	-	33,860	33,100
Social & economic development	62,724	79,512	-	-	62,724	79,512
Interest on long-term debt	13,879	13,433	-	-	13,879	13,433
Stormwater	-	-	41,904	39,419	41,904	39,419
One Technology Center	-	-	11,538	10,229	11,538	10,229
Arena & Convention	-	-	29,628	26,304	29,628	26,304
Tulsa Stadium Trust	-	-	3,665	3,501	3,665	3,501
Golf courses	-	-	4,226	3,158	4,226	3,158
	<u>570,691</u>	<u>513,144</u>	<u>90,961</u>	<u>82,611</u>	<u>661,652</u>	<u>595,755</u>
Changes before transfers	173,152	126,050	6,910	(8,480)	180,062	117,570
Transfers	(4,415)	(2,149)	4,415	2,149	-	-
Change in Net position	168,737	123,901	11,325	(6,331)	180,062	117,570
Net position, beginning of year	1,996,385	1,872,484	600,784	607,444	2,603,829	2,479,928
Adjustment applicable to prior years	-	-	-	(329)	-	(329)
Net position, beginning (as restated)	1,996,385	1,872,484	600,784	607,115	2,597,169	2,479,599
Net position, ending	<u>\$ 2,165,122</u>	<u>\$ 1,996,385</u>	<u>\$ 612,109</u>	<u>\$ 600,784</u>	<u>\$ 2,777,231</u>	<u>\$ 2,597,169</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.

	Program Expenses	Program Revenues	Net Cost
General government	\$ 83,706	\$ 37,736	\$ (45,970)
Public safety and protection	274,382	55,342	(219,040)
Public works & transportation	102,140	7,342	(94,798)
Culture & recreation	33,860	10,166	(23,694)
Social & economic development	62,724	44,983	(17,741)
Interest on debt	13,879	-	(13,879)
	<u>\$ 570,691</u>	<u>\$ 155,569</u>	<u>\$ (415,122)</u>

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

The cost of all *governmental* activities this year was \$570.7 million. A portion of the costs were paid by those who directly benefited from the programs (\$84.2 million), or by other governments and organizations that subsidized certain programs with grants and contributions (\$71.3 million). The remaining costs are covered by general revenues. Sales tax makes up the majority of general revenues or 59% in 2023. 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 to fund an economic stabilization reserve. Property taxes fund general obligation debt issued for capital improvements and judgment payments.

	General Revenues			
	2023	Percent of Total	2022	Percent of Total
Sales taxes	\$ 344,070	59%	\$ 327,026	63%
Property taxes	82,860	14%	82,468	16%
Franchise tax	32,224	5%	26,282	5%
Use tax	65,828	11%	59,449	11%
Other	63,292	11%	23,738	5%
	<u>\$ 588,274</u>	<u>100%</u>	<u>\$ 518,963</u>	<u>100%</u>

Government-Wide Financial Analysis, continued

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*).

Business-type activities:	Program	Program	Net Cost
	Expenses	Revenues	
Arena & Convention	\$ 29,628	\$ 26,254	\$ (3,374)
One Technology Center	11,538	17,256	5,718
Golf Courses	4,226	3,385	(841)
Tulsa Stadium Trust	3,665	225	(3,440)
Stormwater	41,904	48,559	6,655
	<u>\$ 90,961</u>	<u>\$ 95,679</u>	<u>\$ 4,718</u>

While program revenues are intended to support the business-type activities, transfers from the City augment these activities. The business-type activities received \$4,415 in transfers from the Governmental activities of the City. These transfers included:

- Capital transfers of \$2,299 for Stormwater Management improvements funded by the City's Sales tax and grant programs were offset by transfers of \$2,789 to the General Fund for payments in lieu of tax;
- \$1,518 to fund Arena and Convention Center for operations which was provided by City lodging taxes as well as \$118 for capital improvements from City sales taxes;
- \$2,308 of special assessment taxes used in connection with the ballpark located downtown.

Governmental Funds Financial Analysis

Governmental Funds reported a fund balance of \$898.6 million, down \$20.5 million or 2% from 2022. Approximately 9% 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 \$117 million in 2023 from \$113 million in 2022. Of this amount \$85.8 million represents unassigned fund balance and approximates 24.6% of General Fund expenditures compared to \$85.1 million and 26.9%, in 2022. The fund balance represents approximately 33.6% of expenditures compared to 35.8% in 2022. The change in fund balance can be attributed to the following:

- The General Fund's fund balance increased \$3.6 million to \$116.9 million, as expenditures increased 10% while revenues increased 14.8%. An increase of \$14.7 million in sales and use tax revenues and \$22.4 million increase in investment income lead the increases in revenues. Public safety expenses were the most significant driver of the expenditure increases, making up approximately 66% of the increase.

Governmental Funds Financial Analysis, continued

- Tax revenues increased \$22.4 million due to increased sales and use tax collections from continued positive in economic conditions. Investment income during the year of \$4.8 million was significantly higher than the loss experienced in the prior year of \$17.6 million due to changing interest rates of fixed income investments.
- Public safety expenditures increased \$20.8 million primarily due to an increase in personnel service costs related to a contractual increase in salaries as well as increase in staffing making up approximately \$13.6 million of the increase and \$4.4 million related to pension payments made to the State Police and Fire pension plans on behalf of the City.

The remaining Governmental Funds' fund balance decreased \$24.1 million, or 3% to \$781.7 million. The vast majority of fund balance is restricted (99.7%).

- The Debt Service Fund's fund balance decreased \$11.5 million or 13.4% to \$74.4 million primarily from an increase of \$1.7 million in revenue from property taxes offset by a \$28.7 million increase in debt service payments that resulted in a deficit of property tax revenues over debt service of \$13.4 million. The fund balance of the Debt service fund is restricted for debt service payments.
- The Bond Fund's fund balance increased \$9.8 million or 5.2% over 2022. The Bond Fund received \$64.7 million proceeds from the issuance of General Obligation Bonds Series 2022. Capital expenditures in the Bond fund increased 20% or \$8.8 million from the prior year. This 20% increase is primarily due to street improvement expenditures related to the Improve our Tulsa (IOT) program. The remaining fund balance of \$199.3 million is restricted for capital improvements.
- The Sales Tax Fund's fund balance decreased \$11.5 million or 4.3% over 2022. Sales tax collections in 2023 increased \$2.1 million due to increased collections for Improve our Tulsa I. Capital outlay increased \$10.7 million due to the timing of payments on approved projects. Investment income increase in 2023 was \$13 million and was attributed to an increase in the rate of return on the City's investments. The fund balance of \$255 million in the sales tax fund is restricted for capital improvements.
- The Limited-Purpose Sales Tax Fund's fund balance decreased \$32.5 million over 2023. Sales tax collections increased \$3.8 million over 2023. Investment income increased \$6.2 million over 2023 and was attributed to an increase in the rate of return on the City's investments. Capital outlay increased \$1.1 million due to the timing and number of active capital projects. Debt service decreased \$0.5 million due to scheduled principal and interest payments. The fund balance of \$165.2 million is restricted for capital improvements and debt service.

Proprietary Funds Financial Analysis

Proprietary funds reported a combined net position of \$612.1 million compared to \$600.8 million in the prior year.

- The Stormwater Management fund had an operating income of \$0.7 million while receiving \$6.6 million in capital contributions and making \$2.8 million payments in lieu of taxes resulting in an increase of \$7.1 million in net position. The fund's net position of \$354.4 million is primarily (93%) invested in capital assets.
- One Technology Center fund's lease revenue of \$9.4 million represented a slight increase of \$0.1 million from the prior year. The overall net position increased \$0.4 million to a \$0.7 million deficit.
- The Arena and Convention Center fund contributed revenue of \$25.9 million, an increase of \$10.5 million over the previous year, due to an increase of events at the BOK Center and Cox Business Convention Center. Expenses increased \$3 million resulting from the increase in events. The \$3.5 million operating loss is partially offset by transfers in of \$1.6 million. The overall net position decreased \$1.5 million for the year, ending at \$195 million.
- The Tulsa Stadium Trust fund reported a loss of \$3.1 prior to the \$2.3 million transfer from the City related to special assessments collected.

Budgetary Highlights

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

General Fund Budgetary Highlights

The original 2023 General Fund budget adopted by the Mayor and City Council totaled \$385.1 million. The budget was balanced with revenue estimates of \$358.4 million and an expected use of fund balance of \$26.7 million. It was \$58.0 million or 17.7% more than the 2022 original budget. Taking into consideration the 2022 carry over encumbrances and budget amendments, the total authorized expenditure amount was \$393.8 million for fiscal year 2023.

General Fund Budgetary Highlights, continued

	Original Budget		Amended Budget		Budgetary Basis Actual		Variance	
	2023	2022	2023	2022	2023	2022	2023	2022
Revenues:								
Taxes	\$ 253,636	\$ 219,338	\$ 253,636	\$ 219,338	\$ 268,900	\$ 251,578	\$ 15,264	\$ 32,240
Licenses and permits	10,803	9,953	10,803	9,953	12,175	12,017	1,372	2,064
Intergovernmental	9,678	39,676	9,678	39,676	10,701	40,551	1,023	875
Charges for service	47,736	11,081	47,736	11,081	44,795	11,289	(2,941)	208
Fines and forfeitures	6,841	7,047	6,841	7,047	6,884	6,340	43	(707)
Investment income	2,893	3,223	2,893	3,223	7,917	2,562	5,024	(661)
Payments from component unit	19,613	17,739	19,613	17,739	21,520	18,014	1,907	275
Miscellaneous	3,687	3,153	3,687	3,153	4,415	4,367	728	1,214
Transfers In	3,514	3,052	3,514	3,052	3,514	3,066	-	14
	<u>\$ 358,401</u>	<u>\$ 314,262</u>	<u>\$ 358,401</u>	<u>\$ 314,262</u>	<u>\$ 380,821</u>	<u>\$ 349,784</u>	<u>\$ 22,420</u>	<u>\$ 35,522</u>
Expenses:								
General government	\$ 75,258	\$ 65,712	\$ 74,685	\$ 65,797	\$ 69,690	\$ 62,521	\$ (4,995)	\$ (3,276)
Public works and transportation	34,716	30,283	34,989	31,024	34,537	29,836	(452)	(1,188)
Social and economic development	14,268	12,509	14,808	12,653	13,523	11,481	(1,285)	(1,172)
Public safety and protection	204,115	181,532	210,881	189,560	205,668	188,603	(5,213)	(957)
Culture and recreation	24,327	22,166	25,074	22,140	24,327	21,579	(747)	(561)
Payments to component units	7,359	7,359	8,023	8,601	8,023	8,601	-	-
Transfers out	25,120	7,612	25,348	7,632	25,348	7,570	-	(62)
	<u>\$ 385,163</u>	<u>\$ 327,173</u>	<u>\$ 393,808</u>	<u>\$ 337,407</u>	<u>\$ 381,116</u>	<u>\$ 330,191</u>	<u>\$ (12,692)</u>	<u>\$ (7,216)</u>

2023 actual revenues of \$380.8 million exceeded the amended estimate by \$22.4 million or 6.2%. Sales Tax (\$9.4 million) and Use Tax (\$4.4 million) were the largest categories causing actual revenues to be above the estimate. 2023 actual expenditures were \$381.1 million and were \$12.7 million under the authorized expenditure amount.

The 2023 amended budget reflects the total authorized expenditure amount which included budget amendments that increased the budget by \$8.0 million, appropriations for carry over encumbrances of \$7.1 million and the original budget of \$378.7 million.

The 2023 General Fund budget was amended seven times during the year with the largest amount increasing appropriations by \$6.2 million to increase appropriations at the end of the year for contractually negotiated salary and longevity pay increases and \$1.3 million related to a spring storm event.

Capital Assets and Debt Administration

Capital Assets - At the end of 2023, the City had invested \$2.72 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 \$95 million, or 3.6% during the year (see Note 7 to the financial statements for additional detailed information regarding capital assets). General Obligation and Revenue Bond Programs provide funding for the increase in economic development projects and infrastructure street projects. Some significant projects include the Gilcrease Museum, Zink Lake and related improvements and the widening of Yale Avenue between 81st and 91st streets.

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

	Governmental Activities		Business-type Activities		Total		Percentage Change
	2023	2022	2023	2022	2023	2022	
Land	\$ 564	\$ 562	\$ 120	\$ 119	\$ 684	\$ 681	0.4%
Works of Art	-	-	1	1	1	1	-
Buildings and improvements	230	219	479	480	709	699	1.4%
Equipment	91	86	22	21	113	107	5.6%
Infrastructure	952	935	-	-	952	935	1.8%
Construction in progress	238	182	25	19	263	201	30.8%
Right-to-use	12	14	-	1	12	15	100.0%
	<u>\$ 2,087</u>	<u>\$ 1,998</u>	<u>\$ 647</u>	<u>\$ 641</u>	<u>\$ 2,734</u>	<u>\$ 2,639</u>	<u>3.6%</u>

Long-term Liabilities - At year end, the City had \$720 million in general obligation and revenue bonds outstanding, a decrease of 8% 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	
	2023	2022	2023	2022	2023	2022
General obligation bonds	\$ 384	\$ 403	\$ -	\$ -	\$ 384	\$ 403
Revenue bonds	235	284	101	98	336	382
Other long-term liabilities	382	292	20	20	402	312
	<u>\$ 1,001</u>	<u>\$ 979</u>	<u>\$ 121</u>	<u>\$ 118</u>	<u>\$ 1,122</u>	<u>\$ 1,097</u>

- General obligation bonds – The balance decreased \$19 million. The scheduled debt service and premium amortization of \$86 million was offset by the issuance of General Obligation Bonds Series 2022 proceeds of \$64.7.
- Revenue Bonds – The balance decreased \$46 million during the year. Scheduled debt service of \$54 million was offset by the issuance of \$8.3 million in 2023 Capital Improvement Bonds.
- Other long-term liabilities – The balance increased \$91 million during the year. The vast majority, \$88 million, is due to the increase in the City's net pension liability related to the City and State fire retirement system plans.

Economic Factors and Next Year's Budget and Rates

The area monthly average labor force increased 0.8% from 2021, gaining 4,050 participants in 2022. Wage and Salary employment (total nonfarm employees) witnessed an increase of 2.3% in the 2022 average, equating to approx. 10,000 jobs. Unemployment decreased throughout 2022, ending the year at 2.7% in December. The average unemployment for the Tulsa MSA was 3% for 2022 in total. The average weekly earnings of all private employees increased by 6.2% from July 2022 to July 2023.

The Fiscal 2024 budget reflects increases for water, sewer, solid waste and stormwater rates. A water rate increase of 3%, sewer rate increase of 4%, solid waste rate increase of 16% and stormwater rate increase of 8.5% are included to address capital needs and debt service in 2024.

Contacting the City's Financial Management

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

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

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PUBLIC SERVICE

Section 2

BASIC FINANCIAL STATEMENTS

USA

TUL

City of Tulsa, Oklahoma
**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**
Year Ended: June 30, 2023



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CITY OF TULSA
STATEMENT OF NET POSITION
June 30, 2023
(amounts expressed in thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets:				
Cash, cash equivalents and investments	\$ 986,853	\$ 52,136	\$ 1,038,989	\$ 304,520
Cash and cash equivalents - restricted	168	34,146	34,314	51,072
Investments	-	-	-	2,946
Investments - restricted	-	-	-	1,019
Receivables, net	156,537	7,003	163,540	58,028
Lease receivable	193	2,048	2,241	1,156
Prepaid expenses	1,026	256	1,282	135
Internal balances	3,588	(3,588)	-	-
Inventories	1,492	688	2,180	11,232
Other current assets	-	-	-	1,243
Current portion of notes receivable	-	-	-	262
Total current assets	1,149,857	92,689	1,242,546	431,613
Noncurrent assets:				
Cash and cash equivalents - restricted	-	29,139	29,139	86,352
Receivables, net	13,902	24	13,926	893
Lease receivable	3,906	10,185	14,091	38,889
Investments	-	-	-	2,383
Investments - restricted	-	-	-	16,158
Advances to component units	3,337	-	3,337	-
Net pension asset	14,520	-	14,520	-
Note receivable	-	-	-	4,954
Land held for resale, net	1,619	-	1,619	1,705
Equity interest in joint ventures	25,524	-	25,524	38,225
Nondepreciable capital assets	801,375	146,009	947,384	289,204
Depreciable capital assets, net	1,285,766	500,750	1,786,516	1,751,714
Total noncurrent assets	2,149,949	686,107	2,836,056	2,230,477
Total assets	3,299,806	778,796	4,078,602	2,662,090
DEFERRED OUTFLOWS OF RESOURCES				
OPEB related items	633	177	810	535
Pension related items	109,834	2,875	112,709	19,323
Deferred charge on refunding	282	403	685	8,377
Total deferred outflows of resources	110,749	3,455	114,204	28,235

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

CITY OF TULSA
STATEMENT OF NET POSITION, continued
June 30, 2023
(amounts expressed in thousands)

	Primary Government			Component
	Governmental	Business-type	Total	Units
	Activities	Activities		
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	65,485	10,041	75,526	44,062
Deposits	1,851	-	1,851	-
Unearned revenue	76,662	25,440	102,102	1,507
Advances from primary government	-	-	-	611
Current portion of long-term liabilities	141,271	6,571	147,842	48,556
Refundable deposits payable from restricted assets	-	-	-	14,988
Total current liabilities	<u>285,269</u>	<u>42,052</u>	<u>327,321</u>	<u>109,724</u>
Noncurrent liabilities:				
Advances from primary government	-	-	-	2,726
Unearned revenue	-	417	417	-
Deposits subject to refund	-	40	40	278
Long-term liabilities	859,862	114,518	974,380	590,612
Total noncurrent liabilities	<u>859,862</u>	<u>114,975</u>	<u>974,837</u>	<u>593,616</u>
Total liabilities	<u>1,145,131</u>	<u>157,027</u>	<u>1,302,158</u>	<u>703,340</u>
DEFERRED INFLOWS OF RESOURCES				
Property tax revenue	69,245	-	69,245	7,229
Pension related items	26,509	613	27,122	7,324
OPEB related items	498	91	589	403
Lease related	4,050	12,015	16,065	38,347
Gain on refunding	-	396	396	650
Total deferred inflows of resources	<u>100,302</u>	<u>13,115</u>	<u>113,417</u>	<u>53,953</u>
NET POSITION				
Net investment in capital assets	1,716,094	560,594	2,276,688	1,645,302
Restricted for:				
Economic stabilization reserve	12,958	-	12,958	-
Debt service	65,507	1,866	67,373	17,772
Capital projects	389,660	11,010	400,670	21,152
Police pension	45,394	-	45,394	-
Federal and state grants	9,682	-	9,682	-
Economic development	13,360	-	13,360	-
Transportation	9,802	-	9,802	-
Public safety	17,641	-	17,641	-
Other purposes	5,156	1,645	6,801	25,955
Unrestricted (deficit)	<u>(120,132)</u>	<u>36,994</u>	<u>(83,138)</u>	<u>222,851</u>
Total net position	<u>\$ 2,165,122</u>	<u>\$ 612,109</u>	<u>\$ 2,777,231</u>	<u>\$ 1,933,032</u>

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

CITY OF TULSA
STATEMENT OF ACTIVITIES
Year ended June 30, 2023
(amounts expressed in thousands)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services and Fines	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 83,706	\$ 37,706	\$ 30	\$ -
Public safety and protection	274,382	12,878	40,138	2,326
Public works and transportation	102,140	-	-	7,342
Culture and recreation	33,860	1,933	322	7,911
Social and economic development	62,724	31,709	13,274	-
Interest on long-term debt	13,879	-	-	-
Total governmental activities	<u>570,691</u>	<u>84,226</u>	<u>53,764</u>	<u>17,579</u>
Business-type activities:				
Stormwater	41,904	41,950	-	6,609
Leasing	11,538	9,537	-	7,719
Arena & Convention	29,628	25,902	-	352
Tulsa Stadium Trust	3,665	225	-	-
Golf Courses	4,226	3,385	-	-
Total business-type activities	<u>90,961</u>	<u>80,999</u>	<u>-</u>	<u>14,680</u>
Total primary government	<u>\$ 661,652</u>	<u>\$ 165,225</u>	<u>\$ 53,764</u>	<u>\$ 32,259</u>
Component units:				
Clean water and waste water systems	219,689	282,175	4	10,731
Refuse collection and disposal	31,933	31,053	-	-
Airport services	50,183	44,796	14,955	5,839
Social and economic development	16,967	7,942	163	-
Other component units	37,978	7,303	11,692	3,245
Total component units	<u>\$ 356,750</u>	<u>\$ 373,269</u>	<u>\$ 26,814</u>	<u>\$ 19,815</u>

General revenues:

Taxes:

Sales tax

Property tax

Franchise tax

Use tax

Lodging tax

Intergovernmental revenue, unrestricted

Funding from primary government

Payments from component units

Unrestricted investment earnings

Miscellaneous

Gain on disposal of capital assets

Transfers

Total general revenues and transfers

Change in Net position

Net position--beginning of year

Net position--end of year

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

Net (Expenses) Revenues and Changes in Net Position			
Primary Government			
Governmental Activities	Business-type Activities	Total	Component Units
\$ (45,970)	\$ -	\$ (45,970)	\$ -
(219,040)	-	(219,040)	-
(94,798)	-	(94,798)	-
(23,694)	-	(23,694)	-
(17,741)	-	(17,741)	-
(13,879)	-	(13,879)	-
(415,122)	-	(415,122)	-
-	6,655	6,655	-
-	5,718	5,718	-
-	(3,374)	(3,374)	-
-	(3,440)	(3,440)	-
-	(841)	(841)	-
-	4,718	4,718	-
(415,122)	4,718	(410,404)	-
			73,221
			(880)
			15,407
			(8,862)
			(15,738)
			63,148
344,070	-	344,070	772
82,860	-	82,860	3,846
32,224	-	32,224	-
65,828	-	65,828	-
9,355	-	9,355	-
13,991	-	13,991	-
-	-	-	16,123
23,585	-	23,585	-
14,371	1,882	16,253	8,330
1,425	42	1,467	487
565	268	833	138
(4,415)	4,415	-	-
583,859	6,607	590,466	29,696
168,737	11,325	180,062	92,844
1,996,385	600,784	2,597,169	1,840,188
\$ 2,165,122	\$ 612,109	\$ 2,777,231	\$ 1,933,032

CITY OF TULSA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2023
(amounts expressed in thousands)

	General	Debt Service	Bond	Sales Tax	Limited-Purpose Sales Tax	American Rescue Plan Act	Other Governmental Funds	Total Governmental Funds
Assets								
Cash and cash equivalents	\$ 94,003	\$ 73,593	\$ 209,153	\$ 263,010	\$ 160,279	\$ 67,564	\$ 95,556	\$ 963,158
Receivables, net	43,468	73,711	-	6,675	12,886	-	33,322	170,062
Lease receivable	4,099	-	-	-	-	-	-	4,099
Inventories	61	-	-	-	-	-	-	61
Advances to other funds	166	-	-	-	-	-	-	166
Advances to component units	326	-	-	-	-	-	-	326
Other current assets	892	-	-	-	-	-	-	892
Total assets	\$ 143,015	\$ 147,304	\$ 209,153	\$ 269,685	\$ 173,165	\$ 67,564	\$ 128,878	\$ 1,138,764
Liabilities								
Accounts payable and accrued liabilities	17,219	-	9,815	15,003	7,935	442	8,677	59,091
Deposits subject to refund	1,851	-	-	-	-	-	-	1,851
Unearned revenue	384	-	-	-	-	67,122	9,156	76,662
Total liabilities	19,454	-	9,815	15,003	7,935	67,564	17,833	137,604
Deferred inflows of resources								
Unavailable revenue - property taxes	-	72,943	-	-	-	-	-	72,943
Unavailable revenue - special assessments	-	-	-	-	-	-	91	91
Unavailable revenue - intergovernmental	-	-	-	-	-	-	5,073	5,073
Lease related	4,050	-	-	-	-	-	-	4,050
Unavailable revenue - long-term receivables	2,565	-	-	-	-	-	17,797	20,362
Total unavailable revenue	6,615	72,943	-	-	-	-	22,961	102,519
Fund balances								
Nonspendable	553	-	-	-	-	-	-	553
Restricted	-	74,361	199,338	254,682	165,230	-	85,836	779,447
Committed	-	-	-	-	-	-	7,608	7,608
Assigned	30,584	-	-	-	-	-	335	30,919
Unassigned (deficit)	85,809	-	-	-	-	-	(5,695)	80,114
Total fund balances	116,946	74,361	199,338	254,682	165,230	-	88,084	898,641
Total liabilities, deferred inflows and fund balances	\$ 143,015	\$ 147,304	\$ 209,153	\$ 269,685	\$ 173,165	\$ 67,564	\$ 128,878	\$ 1,138,764

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	2,079,679
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	5,611
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	3,588
Land held for resale	1,619
Deferred OPEB outflows	568
Deferred pension outflows	108,361
Investment in joint venture is not reported in the funds	25,524
Deferred charge on debt refunding	282
Accrued interest payable	(4,549)
Deferred pension inflows	(26,196)
Unavailable revenue - property taxes	3,698
Unavailable revenue - intergovernmental and long-term receivables	25,435
Unavailable revenue - special assessments	91
Deferred OPEB inflows	(442)
Net pension asset	14,520
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	(374,476)
Unamortized bond premium	(15,235)
Revenue bonds	(225,995)
Lease liability	(2,957)
Compensated absences	(37,886)
Arbitrage rebate payable	(1,753)
Other post employment benefits liability	(2,455)
Net pension liability	(297,891)
Judgments	(12,825)
Unamortized bond discount	165
Governmental activities net position	\$ 2,165,122

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, 2023
(amounts expressed in thousands)

	General	Debt Service	Bond	Sales Tax	Limited-Purpose Sales Tax	American Rescue Plan Act	Other Governmental Funds	Total Governmental Funds
Revenues								
Sales tax	\$ 188,182	\$ -	\$ -	\$ 42,515	\$ 76,054	\$ -	\$ 37,319	\$ 344,070
Property tax	-	82,989	-	-	-	-	-	82,989
Franchise tax	25,933	-	-	-	-	-	6,291	32,224
Use tax	55,909	-	-	-	9,919	-	-	65,828
Lodging tax	187	-	-	-	-	-	9,168	9,355
Special assessment tax	54	-	-	-	-	-	6,457	6,511
Charges for services	14,578	-	-	-	-	-	14,686	29,264
Intergovernmental revenues	37,601	-	-	-	-	6,135	21,674	65,410
Fines and forfeitures	6,826	-	-	-	-	-	110	6,936
Investment income (loss)	4,845	-	-	3,161	3,761	-	(2,576)	9,191
Licenses, permits and fees	12,173	-	-	-	-	-	-	12,173
Program income from grants	-	-	-	-	-	-	2,498	2,498
Payments from component units	21,520	-	-	962	-	-	70	22,552
Miscellaneous	1,037	-	-	56	200	-	4,644	5,937
Total revenues	368,845	82,989	-	46,694	89,934	6,135	100,341	694,938
Expenditures								
Current:								
General government	53,353	838	-	40	2,371	-	670	57,272
Public safety and protection	231,211	-	-	-	-	-	40,231	271,442
Public works and transportation	18,153	-	140	-	-	-	5,136	23,429
Culture and recreation	22,477	-	-	36	146	-	2,989	25,648
Social and economic development	14,472	-	-	-	-	4,494	22,479	41,445
Capital and operating funding to component units	8,076	-	-	1,967	-	-	6,038	16,081
Capital outlay	-	-	52,862	67,447	61,946	1,554	5,721	189,530
Debt service:								
Principal	499	84,087	-	1,511	44,175	-	-	130,272
Interest	21	11,421	-	86	10,641	-	-	22,169
Total expenditures	348,262	96,346	53,002	71,087	119,279	6,048	83,264	777,288
Excess (deficiency) of revenues over expenditures	20,583	(13,357)	(53,002)	(24,393)	(29,345)	87	17,077	(82,350)
Other financing sources (uses)								
Transfers in	3,514	-	-	15,192	-	-	13,553	32,259
Transfers out	(20,856)	-	(1,892)	(2,275)	(3,118)	(87)	(9,045)	(37,273)
Proceeds from sale of capital assets	377	-	-	-	-	-	-	377
Bond issuance	-	-	64,680	-	-	-	-	64,680
Premium on bonds issued	-	1,819	-	-	-	-	-	1,819
Total other financing sources (uses)	(16,965)	1,819	62,788	12,917	(3,118)	(87)	4,508	61,862
Net change in fund balances	3,618	(11,538)	9,786	(11,476)	(32,463)	-	21,585	(20,488)
Fund balances, beginning of year	113,328	85,899	189,552	266,158	197,693	-	66,499	919,129
Fund balances, end of year	\$ 116,946	\$ 74,361	\$ 199,338	\$ 254,682	\$ 165,230	\$ -	\$ 88,084	\$ 898,641

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, 2023
(amounts expressed in thousands)

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

Net change in fund balances - total governmental funds	\$ (20,488)
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	182,469
Capital contributions	6,871
Depreciation and amortization expense	(83,007)
	<u>106,333</u>
The effect of miscellaneous transactions involving capital assets:	
Loss on disposal of capital assets	(851)
Proceeds from sale of capital assets	(253)
Capital assets transferred to organizations outside the reporting entity	(15,535)
	<u>(16,639)</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	(64,680)
Premium on bond issuance	(1,819)
Payment of bond principal	126,153
Lease liability payments	2,791
	<u>62,445</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	403
Amortization of premium and discount on bond issuance	8,187
Amortization of deferred gain on debt refunding	(151)
Change in compensated absences liability	(978)
Change in arbitrage rebate liability	(1,477)
Change in tort claims and judgments liability	(1,594)
Net pension asset	(78,131)
Net pension liability	(87,296)
Deferred outflows of resources related to pensions	27,844
Deferred inflows of resources related to pensions	145,249
Total OPEB liability	26
Deferred outflows of resources related to OPEB	(20)
Deferred inflows of resources related to OPEB	132
	<u>12,194</u>
Some revenues reported in the statement of activities do not provide current financial resources in governmental funds:	
Gain from investment in joint venture	6,610
	<u>6,610</u>
Some revenues which are unavailable in the governmental funds represent accrual based revenue in the entity-wide statements:	
Intergovernmental revenue	1,574
Long-term receivables	16,227
Property Tax	(129)
Special assessment revenue	(102)
	<u>17,570</u>
The net revenue of internal service funds is reported within governmental activities:	
Change in net position of internal service funds	718
Internal balances resulting from the elimination of internal service fund revenues	(6)
	<u>712</u>
Change in net position - statement of activities	\$ 168,737

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

CITY OF TULSA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2023
(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	Other Enterprise Funds	Total	
ASSETS							
Current assets:							
Cash and cash equivalents	\$ 28,146	\$ 6,010	\$ 14,145	\$ 766	\$ 3,069	\$ 52,136	\$ 23,695
Cash and cash equivalents, restricted	576	1,616	27,165	4,789	-	34,146	168
Receivables, net	4,776	336	1,816	53	22	7,003	377
Leases receivable	25	1,711	-	121	191	2,048	-
Advances to component units	-	-	-	-	-	-	611
Prepaid expenses	-	-	188	-	68	256	134
Inventories, net	1	-	614	-	73	688	1,431
	<u>33,524</u>	<u>9,673</u>	<u>43,928</u>	<u>5,729</u>	<u>3,423</u>	<u>96,277</u>	<u>26,416</u>
Noncurrent assets:							
Cash and cash equivalents, restricted	21,275	4,609	1,652	1,603	-	29,139	-
Receivables, net	24	-	-	-	-	24	-
Lease receivable	303	5,231	-	2,709	1,942	10,185	-
Advances to component units	-	-	-	-	-	-	2,400
Nondepreciable capital assets	106,651	4,169	10,004	2,841	22,344	146,009	181
Depreciable capital assets, net	242,580	36,340	172,484	24,024	25,322	500,750	7,281
	<u>370,833</u>	<u>50,349</u>	<u>184,140</u>	<u>31,177</u>	<u>49,608</u>	<u>686,107</u>	<u>9,862</u>
Total assets	<u>404,357</u>	<u>60,022</u>	<u>228,068</u>	<u>36,906</u>	<u>53,031</u>	<u>782,384</u>	<u>36,278</u>
DEFERRED OUTFLOWS OF RESOURCES							
OPEB related items	140	37	-	-	-	177	65
Deferred charge on refunding	-	403	-	-	-	403	-
Pension related items	2,465	410	-	-	-	2,875	1,473
Total deferred outflow of resources	<u>2,605</u>	<u>850</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,455</u>	<u>1,538</u>
LIABILITIES							
Current liabilities:							
Accounts payable and accrued liabilities	4,031	1,578	3,755	64	613	10,041	1,845
Unearned revenue	185	72	25,183	-	-	25,440	-
Workers compensation claims	-	-	-	-	-	-	7,027
Current portion of long-term liabilities	2,637	2,523	515	760	136	6,571	1,132
	<u>6,853</u>	<u>4,173</u>	<u>29,453</u>	<u>824</u>	<u>749</u>	<u>42,052</u>	<u>10,004</u>
Noncurrent liabilities:							
Unearned revenue	-	-	417	-	-	417	-
Workers compensation claims	-	-	-	-	-	-	9,801
Advances from other funds	-	-	-	-	-	-	166
Deposits subject to refund	-	40	-	-	-	40	-
Long-term liabilities	44,752	49,997	2,720	16,809	240	114,518	11,865
	<u>44,752</u>	<u>50,037</u>	<u>3,137</u>	<u>16,809</u>	<u>240</u>	<u>114,975</u>	<u>21,832</u>
Total liabilities	<u>51,605</u>	<u>54,210</u>	<u>32,590</u>	<u>17,633</u>	<u>989</u>	<u>157,027</u>	<u>31,836</u>
DEFERRED INFLOW OF RESOURCES							
Deferred gain on refunding	-	396	-	-	-	396	-
Pension related items	557	56	-	-	-	613	313
OPEB related items	82	9	-	-	-	91	56
Lease related	305	6,917	-	2,654	2,139	12,015	-
Total deferred inflow of resources	<u>944</u>	<u>7,378</u>	<u>-</u>	<u>2,654</u>	<u>2,139</u>	<u>13,115</u>	<u>369</u>
NET POSITION (DEFICIT)							
Net investment in capital assets	330,851	(9,311)	180,877	10,899	47,278	560,594	7,462
Restricted for:							
Debt service	363	1,503	-	-	-	1,866	-
Capital projects	7,411	3,599	-	-	-	11,010	-
Other purposes	-	-	-	1,645	-	1,645	-
Unrestricted	15,788	3,493	14,601	4,075	2,625	40,582	(1,851)
Total net position (deficit)	<u>\$ 354,413</u>	<u>\$ (716)</u>	<u>\$ 195,478</u>	<u>\$ 16,619</u>	<u>\$ 49,903</u>	<u>615,697</u>	<u>\$ 5,611</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds						(3,588)	
Net position of business-type activities						<u>\$ 612,109</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, 2023
(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	Other Enterprise Funds	Total	
Operating revenues							
Charges for services	\$ 41,754	\$ 9,382	\$ 25,856	\$ 225	\$ 3,510	\$ 80,727	\$ 25,586
Insurance premiums	-	-	-	-	-	-	19,787
Workers compensation premiums	-	-	-	-	-	-	5,730
Other	196	30	46	-	-	272	61
	41,950	9,412	25,902	225	3,510	80,999	51,164
Operating expenses							
Salaries and wages	15,900	1,478	-	-	-	17,378	7,909
Materials and supplies	1,092	128	1,202	-	-	2,422	11,837
Services and charges	12,584	5,387	17,431	650	3,691	39,743	6,916
Workers compensation claims	-	-	-	-	-	-	5,175
Insurance claims and premiums	-	-	-	-	-	-	18,899
Depreciation and amortization	11,648	1,392	10,760	2,152	1,732	27,684	451
	41,224	8,385	29,393	2,802	5,423	87,227	51,187
Operating income (loss)	726	1,027	(3,491)	(2,577)	(1,913)	(6,228)	(23)
Nonoperating revenues (expenses)							
Investment income (loss)	711	681	232	322	(64)	1,882	(92)
Interest expense	(558)	(1,654)	(235)	(863)	(8)	(3,318)	-
Gain (loss) on sale of capital assets	252	-	16	-	-	268	(2)
Intergovernmental revenue	8	-	-	-	-	8	236
Contributions	-	-	-	42	-	42	-
Payments to component units	(5)	-	-	-	-	(5)	-
Other, net	(123)	(294)	-	-	-	(417)	-
	285	(1,267)	13	(499)	(72)	(1,540)	142
Income (loss) before capital contributions and transfers	1,011	(240)	(3,478)	(3,076)	(1,985)	(7,768)	119
Capital contributions	6,601	-	352	-	7,719	14,672	-
Transfers in	2,299	703	1,636	2,308	273	7,219	599
Transfers out	(2,804)	-	-	-	-	(2,804)	-
	6,096	703	1,988	2,308	7,992	19,087	599
Change in net position	7,107	463	(1,490)	(768)	6,007	11,319	718
Net position (deficit) - beginning of year	347,306	(1,179)	196,968	17,387	43,896		4,893
Net position (deficit) - end of year	\$ 354,413	\$ (716)	\$ 195,478	\$ 16,619	\$ 49,903		\$ 5,611
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds						6	
Change in net position of business-type activities						\$ 11,325	

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, 2023
(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	Other Enterprise Funds	Total	
Cash flows from operating activities:							
Receipts from customers and other funds	\$ 41,333	\$ 4,822	\$ 37,826	\$ 376	\$ 3,512	\$ 87,869	\$ 18,294
Receipts from interfund charges for services	332	4,384	-	-	-	4,716	32,866
Payments to suppliers and for claims	(11,725)	(6,129)	(17,570)	(497)	(3,543)	(39,464)	(42,199)
Payments to employees	(14,610)	(1,292)	-	-	-	(15,902)	(7,007)
Payments to other funds for services provided	(2,860)	-	-	-	-	(2,860)	-
Payments from related entity	-	-	-	-	-	-	654
Net cash provided (used) by operating activities	12,470	1,785	20,256	(121)	(31)	34,359	2,608
Cash flows from noncapital financing activities:							
Principal paid on revenue bonds	-	-	-	-	-	-	(600)
Interest paid on revenue bonds	-	-	-	-	-	-	(51)
Transfers from other funds	-	83	1,518	-	150	1,751	-
Transfers to other funds	(2,804)	-	-	-	-	(2,804)	92
Proceeds from insurance reimbursements	-	-	-	-	-	-	250
Net cash provided (used) by noncapital financing activities	(2,804)	83	1,518	-	150	(1,053)	(309)
Cash flows from capital and related financing activities:							
Acquisition and construction of capital assets	(15,317)	-	(980)	(673)	(132)	(17,102)	(527)
Intergovernmental revenue received	364	-	-	-	-	364	-
Principal paid on debt	(1,480)	(2,405)	(855)	(735)	(133)	(5,608)	-
Interest paid on debt	(638)	(1,664)	(248)	(867)	(8)	(3,425)	-
Proceeds from sale of capital assets	287	-	16	-	-	303	1
Proceeds from issuance of debt	8,418	-	-	-	-	8,418	-
Proceeds from financing activities	-	-	-	136	-	136	-
Transfers from other funds for capital additions	2,299	620	118	2,308	123	5,468	527
Bond issuance costs	(122)	-	-	-	-	(122)	-
Net cash provided (used) by capital and related financing	(6,189)	(3,449)	(1,949)	169	(150)	(11,568)	1
Cash flows from investing activities:							
Interest received (loss)	613	657	223	186	(67)	1,612	(128)
Net cash provided (used) by investing activities	613	657	223	186	(67)	1,612	(128)
Net increase (decrease) in cash and cash equivalents	4,090	(924)	20,048	234	(98)	23,350	2,172
Cash and cash equivalents, beginning	45,907	13,159	22,914	6,924	3,167	92,071	21,691
Cash and cash equivalents, end of year	\$ 49,997	\$ 12,235	\$ 42,962	\$ 7,158	\$ 3,069	\$ 115,421	\$ 23,863
Reconciliation of cash and cash equivalents to the Statement of Net Position:							
Cash and cash equivalents	28,146	6,010	14,145	766	3,069	52,136	23,695
Cash and cash equivalents - restricted	21,851	6,225	28,817	6,392	-	63,285	168
Total cash and cash equivalents	\$ 49,997	\$ 12,235	\$ 42,962	\$ 7,158	\$ 3,069	\$ 115,421	\$ 23,863
Reconciliation of operating income (loss) to net cash provided (used) by operating activities							
Operating income (loss)	726	1,027	(3,491)	(2,577)	(1,913)	(6,228)	(23)
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation and amortization	11,648	1,392	10,760	2,152	1,732	27,684	451
(Increase) decrease in accounts receivable and other assets:	(448)	1,632	1,035	151	139	2,509	(19)
(Increase) decrease in advance	-	-	-	-	-	-	656
Increase in deferred outflows of resources	523	(219)	-	-	-	304	492
Increase (decrease) in accounts payable and other liabilities:	(354)	(563)	765	42	195	85	880
Increase (decrease) in unearned revenue	-	(47)	11,187	-	-	11,140	-
Increase in net pension liability	292	345	-	-	-	637	257
Increase in other post employment benefits:	10	28	-	-	-	38	(21)
Decrease in deferred inflows of resources	73	(1,810)	-	111	(184)	(1,810)	(65)
Net cash provided (used) by operating activities	\$ 12,470	\$ 1,785	\$ 20,256	\$ (121)	\$ (31)	\$ 34,359	\$ 2,608
NON-CASH TRANSACTIONS:							
Capital contributions of capital assets	\$ 6,601	\$ -	\$ 352	\$ -	\$ 7,719	\$ 14,672	\$ -
Capital acquisitions in accounts payable and retainage payable	\$ 2,518	\$ 193	\$ -	\$ -	\$ 13	\$ 2,724	\$ -

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, 2023
(amounts expressed in thousands)

	Municipal Employees Retirement Plan	Custodial Funds
ASSETS		
Cash and cash equivalents	\$ 16,831	\$ 3,676
Contributions receivable	1,699	-
Investment income receivable	507	-
Investments at fair value:		
US Government obligations	41,033	-
Corporate obligations	11,188	-
Common stock	41,428	-
Foreign obligations	941	-
Mutual funds	380,222	-
Real estate funds	65,553	-
Timber	14,941	-
Total assets	<u>574,343</u>	<u>3,676</u>
LIABILITIES		
Accounts payable and accrued liabilities	1,075	156
Total liabilities	<u>1,075</u>	<u>156</u>
NET POSITION		
Restricted for:		
Pensions	573,268	-
Individuals, organizations, and other governments	-	3,520
Total net position	<u>\$ 573,268</u>	<u>\$ 3,520</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, 2023
(amounts expressed in thousands)

	Municipal Employees Retirement Plan	Custodial Funds
ADDITIONS		
Contributions:		
Employer	\$ 26,376	\$ -
Plan members	12,318	-
	<u>38,694</u>	<u>-</u>
Investment Income:		
Net appreciation in fair value of investments	39,882	-
Interest	7,790	-
Dividends	926	-
	<u>48,598</u>	<u>-</u>
Less: investment expense	(1,783)	-
Net investment income	<u>46,815</u>	<u>-</u>
Miscellaneous	-	1,577
Total additions	<u>85,509</u>	<u>1,577</u>
DEDUCTIONS		
Benefits	46,513	-
Refunds of contributions	1,694	-
Administrative expense	540	-
Other	-	2,054
Total deductions	<u>48,747</u>	<u>2,054</u>
Net increase (decrease) in fiduciary net position	36,762	(477)
Net position, beginning of year	<u>536,506</u>	<u>3,997</u>
Net position, end of year	<u>\$ 573,268</u>	<u>\$ 3,520</u>

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, 2023
(amounts expressed in thousands)

	Tulsa Metropolitan Utility Authority	Tulsa Authority for Recovery of Energy	Tulsa Airports Improvement Trust	Tulsa Authority for Economic Opportunity	Other Component Units	Total Component Units
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 223,889	\$ 21,978	\$ 35,127	\$ 11,893	\$ 11,633	\$ 304,520
Cash and cash equivalents - restricted	32,608	-	2,822	10,602	5,040	51,072
Investments	-	-	-	-	2,946	2,946
Investments - restricted	-	-	1,019	-	-	1,019
Receivables, net	36,759	3,871	7,497	6,944	2,957	58,028
Lease receivable	103	8	795	238	12	1,156
Inventories	8,607	2	1,418	-	1,205	11,232
Current portion of notes receivable	-	-	-	12	250	262
Prepaid expenses	135	-	-	-	-	135
Other current assets	-	-	529	-	714	1,243
	<u>302,101</u>	<u>25,859</u>	<u>49,207</u>	<u>29,689</u>	<u>24,757</u>	<u>431,613</u>
Noncurrent assets:						
Cash and cash equivalents - restricted	66,989	-	15,276	3,517	570	86,352
Investments	-	-	2,383	-	-	2,383
Investments - restricted	-	-	16,158	-	-	16,158
Receivables, net	320	-	550	-	23	893
Lease receivable	779	91	27,991	10,028	-	38,889
Notes receivables	-	-	-	1,804	3,150	4,954
Land held for resale, net	-	-	-	-	1,705	1,705
Equity interest in joint ventures	38,225	-	-	-	-	38,225
Nondepreciable capital assets	121,146	739	153,374	9,348	4,597	289,204
Depreciable capital assets, net	1,455,440	4,707	241,932	26,844	22,791	1,751,714
	<u>1,682,899</u>	<u>5,537</u>	<u>457,664</u>	<u>51,541</u>	<u>32,836</u>	<u>2,230,477</u>
Total assets	<u>1,985,000</u>	<u>31,396</u>	<u>506,871</u>	<u>81,230</u>	<u>57,593</u>	<u>2,662,090</u>
DEFERRED OUTFLOW OF RESOURCES						
Deferred charge on refunding	673	-	7,704	-	-	8,377
Pension related items	12,574	888	2,312	1,432	2,117	19,323
OPEB related items	496	39	-	-	-	535
Total deferred outflow of resources	<u>13,743</u>	<u>927</u>	<u>10,016</u>	<u>1,432</u>	<u>2,117</u>	<u>28,235</u>
LIABILITIES						
Current liabilities:						
Accounts payable and accrued liabilities	32,786	2,762	4,664	1,462	2,388	44,062
Unearned revenue	-	-	370	209	928	1,507
Current portion of long-term liabilities	38,683	357	8,288	739	489	48,556
Advances from primary government	-	-	-	611	-	611
Deposits subject to refund - restricted	14,934	-	54	-	-	14,988
	<u>86,403</u>	<u>3,119</u>	<u>13,376</u>	<u>3,021</u>	<u>3,805</u>	<u>109,724</u>
Noncurrent liabilities:						
Advances from primary government	-	-	-	2,400	326	2,726
Deposits subject to refund	-	-	-	54	224	278
Long-term liabilities, net	390,822	6,789	148,961	31,533	12,507	590,612
	<u>390,822</u>	<u>6,789</u>	<u>148,961</u>	<u>33,987</u>	<u>13,057</u>	<u>593,616</u>
Total liabilities	<u>477,225</u>	<u>9,908</u>	<u>162,337</u>	<u>37,008</u>	<u>16,862</u>	<u>703,340</u>
DEFERRED INFLOW OF RESOURCES						
Property tax revenue	471	-	-	5,359	1,399	7,229
Pension related items	2,676	136	1,465	46	3,001	7,324
OPEB related items	363	40	-	-	-	403
Lease related	835	91	27,690	9,719	12	38,347
Deferred gain on refunding	650	-	-	-	-	650
Total deferred inflow of resources	<u>4,995</u>	<u>267</u>	<u>29,155</u>	<u>15,124</u>	<u>4,412</u>	<u>53,953</u>
NET POSITION						
Net investment in capital assets	1,315,592	5,446	267,526	30,278	26,460	1,645,302
Restricted for:						
Debt service	16,394	-	727	651	-	17,772
Capital projects	-	-	17,458	476	3,218	21,152
Other purposes	-	-	8,290	11,488	6,177	25,955
Unrestricted	184,537	16,702	31,394	(12,363)	2,581	222,851
Total net position	<u>\$ 1,516,523</u>	<u>\$ 22,148</u>	<u>\$ 325,395</u>	<u>\$ 30,530</u>	<u>\$ 38,436</u>	<u>\$ 1,933,032</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, 2023
(amounts expressed in thousands)

	Tulsa Metropolitan Utility Authority	Tulsa Authority for Recovery of Energy	Tulsa Airports Improvement Trust	Tulsa Authority for Economic Opportunity	Other Component Units	Total Component Units
PROGRAM EXPENSES						
Clean water and waste water systems	\$ 219,689	\$ -	\$ -	\$ -	\$ -	\$ 219,689
Refuse collection and disposal	-	31,933	-	-	-	31,933
Airport services	-	-	50,183	-	-	50,183
Social and economic development	-	-	-	16,967	-	16,967
Other	-	-	-	-	37,978	37,978
Total program expenses	219,689	31,933	50,183	16,967	37,978	356,750
PROGRAM REVENUES						
Charges for services						
Clean water and waste water systems	282,175	-	-	-	-	282,175
Refuse collection and disposal	-	31,053	-	-	-	31,053
Airport services	-	-	44,796	-	-	44,796
Social and economic development	-	-	-	7,942	-	7,942
Other	-	-	-	-	7,303	7,303
Total charges for service	282,175	31,053	44,796	7,942	7,303	373,269
Operating grants and contributions						
Clean water and waste water systems	4	-	-	-	-	4
Airport services	-	-	14,955	-	-	14,955
Social and economic development	-	-	-	163	-	163
Other	-	-	-	-	11,692	11,692
Total operating grants and contributions	4	-	14,955	163	11,692	26,814
Capital grants and contributions						
Clean water and waste water systems	10,731	-	-	-	-	10,731
Airport services	-	-	5,839	-	-	5,839
Other	-	-	-	-	3,245	3,245
Total capital grants and contributions	10,731	-	5,839	-	3,245	19,815
Total program revenues	292,910	31,053	65,590	8,105	22,240	419,898
Net Program revenues (expenses)	73,221	(880)	15,407	(8,862)	(15,738)	63,148
GENERAL REVENUES						
Taxes:						
Sales taxes	-	-	-	718	54	772
Property taxes	520	-	-	2,621	705	3,846
Funding from primary government	58	-	-	1,489	14,576	16,123
Investment earnings (loss)	5,014	203	2,084	566	463	8,330
Miscellaneous	-	2	82	-	403	487
Gain on disposal of capital assets	112	26	-	-	-	138
Total general revenues	5,704	231	2,166	5,394	16,201	29,696
Change in net position	78,925	(649)	17,573	(3,468)	463	92,844
Net position--beginning of year	1,437,598	22,797	307,822	33,998	37,973	1,840,188
Net position, end of year	\$ 1,516,523	\$ 22,148	\$ 325,395	\$ 30,530	\$ 38,436	\$ 1,933,032

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

Note 1. Summary of Significant Accounting Policies

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

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

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

New Pronouncements - The City implemented the following GASB Statements effective for the year ended June 30, 2023:

GASB Statement No. 91 – Conduit Debt Obligations – 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. This Statement did not impact the City's financial statements.

GASB Statement No. 94 – Public-Private and Public-Public Partnerships and Availability Payment Arrangements – The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements. This Statement did not impact the City's financial statements.

GASB Statement No. 96 – Subscription-Based Information Technology Arrangements—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. As a result of this statement, the beginning of year debt and capital assets were increased \$759 in the combined discretely presented component unit financial statements with no impact on beginning of year net position.

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.

Note 1. Summary of Significant Accounting Policies, continued

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.

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. The City approves TMUA's budget, utility service rates and new debt issuances.

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. The City approves TARE's budget, utility service rates and new debt issuances.

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. TAIT must receive the City's approval to issue debt.

Tulsa Authority for Economic Opportunity ("TAEO") - A public trust created to promote economic development and racial equality within and near Tulsa, Oklahoma. Its activities primarily consist of promoting economic development, redevelopment, adequate housing and general public health, safety and welfare. The trustees include the Mayor of the City of Tulsa, five commissioners of the Tulsa Development Authority, and seven additional trustees appointed by the Mayor subject to the approval of the City Council of the City of Tulsa. The City provides financial support to TAEO and approves any debt issuances.

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. Financial support is received through the City authorizing TDA to receive taxes from tax increment districts created.

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.

Note 1. Summary of Significant Accounting Policies, continued

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 and finances a significant portion of the annual operations.

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. Financial support is received through the City authorizing TIADT to receive taxes from tax increment districts created.

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

B. JOINT VENTURES AND RELATED ORGANIZATIONS

1. Joint Ventures

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

The City participates in the following joint ventures:

Emergency Medical Services Authority ("EMSA") - EMSA is a public trust created to provide emergency medical care and transportation and is governed by a ten-member board composed of five appointees from the City and five from other Oklahoma cities and towns. In accordance with the joint venture agreement, Tulsa and Oklahoma City are entitled to their respective share of annual operating income or loss. The City's equity interest in EMSA is \$25,524. During the year the City transferred \$4,800 to EMSA from the medical services fee program. 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 \$38,225 is reported in TMUA's statement of net position. Complete financial statements for RMUA can be obtained from the Office of the Controller, 175 East 2nd Street, Suite 1570, Tulsa, OK 74103.

Note 1. Summary of Significant Accounting Policies, continued

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.

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.

Note 1. Summary of Significant Accounting Policies, continued

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 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 activities 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 activities 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 custodial). 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.

Note 1. Summary of Significant Accounting Policies, continued

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).

American Rescue Plan Act Fund accounts for grant monies received from the federal American Rescue Plan Act (Special revenue fund).

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

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

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

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

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

Tulsa Stadium Trust, a blended component unit, was 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 account for employee health benefits, risk management services, vehicle and equipment services, print services and financing.

3. Fiduciary Funds – The pension trust fund accounts for the general municipal employees' retirement trust. The custodial funds account 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.

Note 1. Summary of Significant Accounting Policies, continued

Custodial Funds account for resources held by the City in a purely custodial capacity and include Municipal Court Bonds, Police Property Room, and Unclaimed Property.

E. BASIS OF ACCOUNTING

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

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

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

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

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

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

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

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

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

F. ASSETS, LIABILITIES AND NET POSITION

1. Cash and Cash Equivalents

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

Note 1. Summary of Significant Accounting Policies, continued

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.

2. Investments

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

Governmental Activities	\$	12,100
Business Type Activities		440
Net Decrease in Fair Value	\$	<u>12,540</u>

3. Accounts Receivable, Taxes Receivable, Settlements 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, revenues are reported net of \$594 of uncollectible amounts in the governmental activities and \$353 in the business-type activities.

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.

Settlements receivable represent amounts due related to opioid litigation that has been settled. Settlement receivables are expected to be paid over the next 16 years per settlement terms.

Notes receivable represent loans made to developers by TDA and TAO 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 \$1,619 and was carried at the lower of cost or net realizable value of \$1,619. The entire amount of \$1,619 is noncurrent.

Note 1. Summary of Significant Accounting Policies, continued

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/from 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.

6. 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
Streets	25 years	100
Bridges	50 years	100

The City has right-to-use assets, including buildings, equipment and land recorded based on lease contracts. Right-to-use assets are recognized at the leased commencement date and present the City's right to use an underlying asset for the lease term. These right-to-use assets are recorded at the initial value of the lease liability, plus any lease payments made at or before the commencement of the lease, and plus any initial indirect costs that are ancillary to place the asset into service. Right-to-use assets are amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

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.

7. 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.

Note 1. Summary of Significant Accounting Policies, continued

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.

8. 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.

9. 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.

10. 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.

Note 1. Summary of Significant Accounting Policies, continued

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

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

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

Minimum Fund Balance Policy – The City has a minimum fund balance policy which applies to the General Fund, whereby an operating reserve is set and maintained at 10.0% of General Fund revenues. This operating reserve is set forth in the ordinance adopting the City's annual budget.

11. 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 \$409,508. 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."

12. 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. On November 12, 2019, voters approved a sales tax to fund the reserve. The City began collecting the tax in 2021 in the Economic Stabilization Sales tax fund.

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

Note 1. Summary of Significant Accounting Policies, continued

For purposes of calculating any shortfall:

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

The Economic Stabilization Reserve fund balance is \$12,958.

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 assets 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 and proprietary funds 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 assets in government-wide financial statements, 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 five 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. The governmental funds also record deferred inflows related to leases entered into as the lessor and will be recognized as revenue over the lease term.

In the City's government-wide statements 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, and lease revenues also remain deferred until recognized as revenue over the lease-term. 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. LEASES

Lessee- The City is a lessee for multiple noncancellable leases. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset). At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease asset is amortized on a straight-line basis over the lease term.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payment to present value, (2) lease term, and (3) lease payments.

Note 1. Summary of Significant Accounting Policies, continued

The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for the leases. The lease term includes the noncancellable period of the lease. Lease payments include the measurement of the lease liability are composed of the fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor- The City is a lessor for noncancellable leases. The City recognizes a lease receivable and deferred inflow of resources on the statement of net position. At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of the lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts. The City uses its estimated incremental borrowing rate as the discount rate for the leases or a rate based on the economic characteristics of the transaction. The lease term includes the noncancellable period of the lease. Lease receipts include in the measurement of the lease receivable are composed of the fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable

I. REVENUES, EXPENSES AND EXPENDITURES

Identification of Major Revenue Sources Susceptible to Accrual - In the Governmental Funds, property taxes, sales and use taxes, franchise taxes, lodging 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.

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, 0.45% is placed into Sales Tax Funds and is restricted for capital improvements, 0.805% is placed into the Limited Purpose Sales Tax Fund and is restricted for debt service on indebtedness issued for capital projects and capital improvements, 0.26% is placed into a Special Revenue fund and is restricted for public safety use, 0.085% is placed into a Special Revenue fund and is restricted for street maintenance and public transportation, 0.05 is placed into the Economic Stabilization fund to fund a reserve for economic stabilization.

Note 1. Summary of Significant Accounting Policies, continued

The tax is collected by the merchants and remitted to the State. The City receives its tax receipts from the State by the 10th of each month. Vendors owing an average of \$2.5 or more per month to the State are required to remit actual taxes collected plus an estimate of tax collections for the first 15 days of the following month with remittance due by the 20th of that same month. All other vendors are required to remit the actual amount collected (without any estimated tax collections) by the 20th of the following month.

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

2. Property Tax Revenue

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

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

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

3. Arena Revenues – Naming Rights, Sponsorships

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

5. 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, fiduciary, debt service, and bond funds are reported net investment earnings of the general fund. The amount allocated in the current year was income of \$3,265.

Note 1. Summary of Significant Accounting Policies, continued

6. 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.

7. 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.

8. 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.

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

Payment	From	To	Purpose
\$ 7,359	General Fund	MTTA	Operating subsidy
3,774	Vision Transportation Sales Tax	MTTA	Operating subsidy
1,430	Sales Tax Fund	MTTA	For capital acquisitions
2,020	Economic Development Fund	TPACT	Operating subsidy
1,489	City, various funds	TAE0	Program support
1,609	City, various funds	TMUA	Utility services
252	City, various funds	TARE	Refuse services
19,468	TMUA	General Fund	Payments in lieu of taxes
2,052	TARE	General Fund	Payments in lieu of taxes
1,033	TDA	City	Capital contributions
962	TDA	Sales Tax Fund	Loan proceeds remitted
5,952	TMUA	General Fund	Indirect costs
5,286	TMUA	Equipment Management	Equipment maintenance
1,038	TARE	General Fund	Indirect costs
1,432	TARE	Equipment Management	Equipment maintenance

Note 1. Summary of Significant Accounting Policies, continued

9. 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.

10. 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.

11. Operating Subsidies and Grants

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

12. 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.

J. 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 fund balance of \$716 resulting from depreciating capital assets a greater rate than the payments made to repay the debt associated with the capital assets. The City will continue to repay debt and ensure lease revenues are sufficient to cover ongoing expenses.

Office Services fund – This internal service fund has a deficit fund balance of \$140. 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 14.8%. 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, 2023, the City had seven active agreements which resulted in a total tax abatement of \$166 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

2. Tax Abatements

For the fiscal year ended June 30, 2023, the City abated sales taxes totaling \$276 under this program, including the following tax abatement agreements which are the percentage the City considers to be material for purposes of individual disclosure:

Project Name	Purpose	Percent Abated	Amount Abated
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.	\$ 126
Costco Wholesale Corporation	To develop certain real property near 46 Street North and Highway 169 for the operation and maintenance of a wholesale and retail general merchandise facility with a total investment by owner of approximately \$19,000.	20% from every two cents (\$0.02) of the sales tax revenue stream not to exceed abatement of \$3,900.	\$ -
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.	\$ 150
West Highlands Plaza	To develop certain real property near 6161 S. 33rd W. Ave. for the redevelopment, operation and maintenance of a fully utilized retail general merchandise shopping center with improvements totaling an estimated \$302.	60% from every two cents (\$0.02) of the sales tax revenue stream not to exceed abatement of \$150.	\$ -

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, 2023, 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	\$ 281,486	1.23	24.9%	--	--	Level 1
Federal Farm Credit Bank securities	162,961	1.81	14.4%	Aaa	AA	Level 2
Federal Home Loan Bank securities	315,456	2.24	28.0%	Aaa	AA	Level 2
Federal Home Loan Mortgage Corporation securities	180,720	2.66	16.0%	Aaa	AA	Level 2
Federal National Mortgage Association securities	71,178	2.09	6.3%	Aaa	AA	Level 2
Municipal obligations	4,768	1.30	0.4%	Aaa	Aaa	Level 2
Municipal obligations	1,428	1.34	0.1%	--	--	Level 2
Municipal obligations	36,375	1.32	3.2%	Aa	Aa	Level 2
	<u>1,054,372</u>					
Investments measured at NAV:						
Money market mutual funds	70,000	0.00	6.2%	Aaa	AA	
Investments measured at amortized cost:						
Property tax judgments	3,922	1.27	0.4%	--	--	N/A
	<u>\$ 1,128,294</u>	<u>2.55</u>				
Pooled Portfolio Investments reported in:						
Governmental activities	\$ 817,290					
Business-type activities	42,008					
Fiduciary funds	5,131					
Component units	255,487					
Organizations not in reporting entity	8,378					
	<u>\$ 1,128,294</u>					

Note 3. Deposits and Investments, continued

Non- Pooled Investments – Primary Government:

The City had no non-pooled investments at June 30, 2023.

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 Standard & Poors/Moody's				Not Rated or Rating Not	
	AAA/Aaa	AA/Aa	A/A	BB/Ba	Available	Total
U.S. agency obligations	\$ 6,812	\$ -	\$ -	\$ -	\$ -	\$ 6,812
Government mortgage backed securities	10,758	-	-	-	-	10,758
Corporate bonds	-	-	5,057	2,816	-	7,873
Asset backed securities	879	399	-	-	989	2,267
Commercial mortgage backed securities	279	267	-	-	502	1,048
Foreign obligations	-	-	342	374	225	941
Domestic fixed income mutual funds ⁽¹⁾	-	-	-	-	10,119	10,119
	<u>\$ 18,728</u>	<u>\$ 666</u>	<u>\$ 5,399</u>	<u>\$ 3,190</u>	<u>\$ 11,835</u>	<u>\$ 39,818</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.

Note 3. Deposits and Investments, continued

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, 2023 were 20% strategic with a lower limit of 16% and an upper limit of 24%.

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

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

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

	Balance	Weighted Average Maturity (years)	Fair Value Measurement
Investments measured by fair value levels:			
U.S. Treasury securities	\$ 23,463	10.74	Level 1
Federal Home Loan Mortgage Corp securities	6,812	8.65	Level 2
Federal National Mortgage Association securities	9,003	8.60	Level 2
Government National Mortgage Association securities	1,755	9.39	Level 2
Equity mutual funds	60,593	n/a	Level 1
Foreign equity mutual funds	81,020	n/a	Level 1
Corporate obligations	11,188	9.64	Level 2
Foreign obligations	941	7.51	Level 2
Common Stock	41,428	n/a	Level 1
Investments measured by fair value levels:	<u>236,203</u>		
Investments measured by NAV:			
Equity mutual funds	203,593	n/a	
Foreign equity mutual funds	24,897	n/a	
Domestic fixed income mutual funds	10,119	n/a	
Real Estate funds	65,553	n/a	
Timber Limited Partnership	14,941	n/a	
Investments measured by NAV:	<u>319,103</u>	9.87	
	<u>\$ 555,306</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.

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.

Note 3. Deposits and Investments, continued

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 no unfunded commitments 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.

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

Note 4. Receivables

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

Governmental Funds								
	General Fund	Debt Service	Sales Tax	Limited- Purpose Sales Tax	Nonmajor Governmental Funds	Total Governmental Funds	Internal Service Funds	Total Governmental Activities
Current receivables, net:								
Interest receivable	\$ 1,536	\$ -	\$ 757	\$ 546	\$ 508	\$ 3,347	\$ 64	\$ 3,411
Taxes receivable	38,639	73,917	5,918	12,340	7,439	138,253	-	138,253
Accounts receivable	5,899	-	-	-	973	6,872	313	7,185
Due from other governments	-	-	-	-	6,503	6,503	-	6,503
Donations and private grants	-	-	-	-	3,575	3,575	-	3,575
Settlements receivable	-	-	-	-	461	461	-	461
	46,074	73,917	6,675	12,886	19,459	159,011	377	159,388
Less: Allowance for uncollectible	(2,606)	(206)	-	-	(39)	(2,851)	-	(2,851)
	<u>\$ 43,468</u>	<u>\$ 73,711</u>	<u>\$ 6,675</u>	<u>\$ 12,886</u>	<u>\$ 19,420</u>	<u>\$ 156,160</u>	<u>\$ 377</u>	<u>\$ 156,537</u>
Noncurrent receivables:								
Donations and private grants	-	-	-	-	5,000	5,000	-	5,000
Settlements receivable	-	-	-	-	8,902	8,902	-	8,902
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,902</u>	<u>\$ 13,902</u>	<u>\$ -</u>	<u>\$ 13,902</u>

The City is the recipient of various private grants and donations. Approximately \$5,000 of donations for the benefit of the Gilcrease Museum expansion are expected to be received through 2029 and classified as noncurrent.

Settlement receivables includes amounts expected as a result of multiple opioid lawsuit settlements. Amounts due from these settlements are expected to be received through 2039.

Business-type Activities Enterprise Funds						
	Stormwater Management	One Technology Center	Arena & Convention Center	Tulsa Stadium Trust	Other Enterprise Funds	Total Business-type Activities
Current receivables, net:						
Interest receivable	\$ 155	\$ 43	\$ 15	\$ -	\$ 70	\$ 283
Utility receivable	4,608	-	-	-	-	4,608
Accounts receivable, gross	111	293	1,904	53	8	2,369
	4,874	336	1,919	53	78	7,260
Less: Allowance for uncollectibles	(98)	-	(103)	-	(56)	(257)
	<u>\$ 4,776</u>	<u>\$ 336</u>	<u>\$ 1,816</u>	<u>\$ 53</u>	<u>\$ 22</u>	<u>\$ 7,003</u>
Noncurrent receivables, net:						
Interest receivable	24	-	-	-	-	24
	<u>\$ 24</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24</u>

Note 4. Receivables, continued

	Component Units					Total Component Units
	Tulsa Metropolitan Utility Authority	Tulsa Authority for Recovery of Energy	Tulsa Airports	Tulsa Authority for Economic Opportunity	Other Component Units	
Current receivables, net:						
Interest receivable	\$ 791	\$ 76	\$ -	\$ 90	\$ 12	\$ 969
Interest receivable - restricted	-	-	-	-	19	19
Taxes receivable	471	-	-	6,162	1,462	8,095
Accounts receivable	286	-	2,357	692	378	3,713
Utility receivable	35,789	3,941	-	-	-	39,730
Due from other governments	-	-	5,163	-	1,086	6,249
	<u>37,337</u>	<u>4,017</u>	<u>7,520</u>	<u>6,944</u>	<u>2,957</u>	<u>58,775</u>
Less: Allowance for uncollectibles	(578)	(146)	(23)	-	-	(747)
	<u>\$ 36,759</u>	<u>\$ 3,871</u>	<u>\$ 7,497</u>	<u>\$ 6,944</u>	<u>\$ 2,957</u>	<u>\$ 58,028</u>
Noncurrent receivables:						
Accounts receivable	-	-	550	-	-	550
Interest receivable	320	-	-	-	23	343
	<u>\$ 320</u>	<u>\$ -</u>	<u>\$ 550</u>	<u>\$ -</u>	<u>\$ 23</u>	<u>\$ 893</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	American Rescue Plan Act	Nonmajor Governmental Funds				
Accounts payable	\$ 7,684	\$ -	\$ -	\$ -	\$ 412	\$ 4,263	\$ 12,359	\$ 1,518	\$ -	\$ 13,877
Capital acquisitions payable	-	9,815	15,003	7,935	14	3,217	35,984	-	-	35,984
Accrued payroll	9,535	-	-	-	16	1,197	10,748	316	-	11,064
Accrued interest	-	-	-	-	-	-	-	11	4,549	4,560
	<u>\$ 17,219</u>	<u>\$ 9,815</u>	<u>\$ 15,003</u>	<u>\$ 7,935</u>	<u>\$ 442</u>	<u>\$ 8,677</u>	<u>\$ 59,091</u>	<u>\$ 1,845</u>	<u>\$ 4,549</u>	<u>\$ 65,485</u>

	Business-type Activities - Enterprise Funds					Total
	Stormwater Management	One Technology Center	Arena & Convention Center	Tulsa Stadium Trust	Other Enterprise Funds	
Accounts payable	\$ 871	\$ 1,178	\$ 3,706	\$ -	\$ 600	\$ 6,355
Capital acquisitions payable	2,518	193	-	-	13	2,724
Accrued payroll	429	71	-	-	-	500
Accrued interest	213	136	49	64	-	462
	<u>\$ 4,031</u>	<u>\$ 1,578</u>	<u>\$ 3,755</u>	<u>\$ 64</u>	<u>\$ 613</u>	<u>\$ 10,041</u>

	Component Units					Total Component Units
	Tulsa Metropolitan Utility Authority	Tulsa Authority for Recovery of Energy	Tulsa Airports	Tulsa Authority for Economic Opportunity	Other Component Units	
Accounts payable	\$ 4,604	\$ 2,505	\$ 751	\$ 1,291	\$ 2,172	\$ 11,323
Capital acquisitions payable	23,435	39	2,961	-	-	26,435
Accrued payroll	2,045	218	548	75	216	3,102
Accrued interest	2,702	-	404	96	-	3,202
	<u>\$ 32,786</u>	<u>\$ 2,762</u>	<u>\$ 4,664</u>	<u>\$ 1,462</u>	<u>\$ 2,388</u>	<u>\$ 44,062</u>

Note 6. Interfund Transactions

Primary government interfund receivables and payables consist of the following:

	Advances To Other Funds	Advances From Other Funds	Purpose
166	General Fund	Office Services	To provide cash flow
<u>\$ 166</u>			

	Advances To Component Units	Advances From Primary Government	Purpose
326	General Fund	MTTA	To provide cash flow
3,011	TPFA Internal Service Fund	TAE0	To finance debt refunding
<u>\$ 3,337</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	Bond Fund	Sales Tax Fund	Limited Purpose Sales Tax	ARPA	Nonmajor Governmental Funds	Stormwater Management Fund
Governmental Funds:								
Major Funds:								
General Fund	\$ 3,514	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 725	\$ 2,789
Sales Tax Funds	15,192	12,192	-	-	3,000	-	-	-
Nonmajor Funds	13,553	8,479	1,892	112	-	-	3,055	15
Total Governmental Funds	<u>32,259</u>	<u>20,671</u>	<u>1,892</u>	<u>112</u>	<u>3,000</u>	<u>-</u>	<u>3,780</u>	<u>2,804</u>
Internal Service Funds	599	-	-	599	-	-	-	-
Enterprise Funds:								
Stormwater Management Fund	2,299	-	-	1,016	-	-	1,283	-
One Technology Center	703	35	-	425	-	87	156	-
Arena & Convention Center	1,636	-	-	-	118	-	1,518	-
Tulsa Stadium Trust	2,308	-	-	-	-	-	2,308	-
Nonmajor enterprise funds	273	150	-	123	-	-	-	-
Total Enterprise Funds	<u>7,219</u>	<u>185</u>	<u>-</u>	<u>1,564</u>	<u>118</u>	<u>87</u>	<u>5,265</u>	<u>-</u>
Total Primary Government	<u>\$ 40,077</u>	<u>\$ 20,856</u>	<u>\$ 1,892</u>	<u>\$ 2,275</u>	<u>\$ 3,118</u>	<u>\$ 87</u>	<u>\$ 9,045</u>	<u>\$ 2,804</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 2023, significant transfers include the following: 1) \$2,789 on-going transfer from the Stormwater Management Fund to the General Fund for payments in lieu of franchise taxes, 2) \$12,192 one-time transfer from the General Fund to the Sales tax fund including \$8,409 to address inflationary impact of already budgeted equipment and to implement recommendations from a study of the City's operating capital needs and \$3,783 for Fire department capital, 3) \$7,050 from the General Fund to a nonmajor capital fund for the Real Time Information Center, Recreation lake bathrooms and boat dock and other projects, 4) \$2,275 from the Sales Tax Fund to various funds for capital projects, 5) \$3,000 from the Limited Purpose Sales Tax Fund to the Sales tax Fund for various departmental equipment needs, 6) \$3,000 from the Transportation Sales Tax Fund (nonmajor) to a nonmajor capital fund for bridge improvements at the Center of the Universe attraction 7) \$1,518 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 8) \$2,308 on-going transfer from the nonmajor governmental fund, Tulsa Stadium Improvement District, to the Tulsa Stadium Trust for debt service and capital improvements.

2. Eliminations

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

Note 7. Capital Assets

Capital asset activity for the year ended is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
GOVERNMENTAL ACTIVITIES:				
Nondepreciable capital assets:				
Land	\$ 54,931	\$ 591	\$ -	\$ 55,522
Land - Infrastructure use	506,616	1,501	-	508,117
Construction in progress:				
General government	91,360	100,146	(50,145)	141,361
Infrastructure	90,534	77,929	(72,088)	96,375
Total construction in progress	181,894	178,075	(122,233)	237,736
Total nondepreciable capital assets	743,441	180,167	(122,233)	801,375
Depreciable capital assets:				
Land improvements	124,867	15,042	(139)	139,770
Buildings	266,586	5,972	(1,873)	270,685
Equipment	259,059	20,548	(3,108)	276,499
Street network	3,738,315	73,992	-	3,812,307
Bridge network	55,838	822	-	56,660
Right-to-use Buildings	13,129	-	(269)	12,860
Right-to-use Equipment	1,834	-	(732)	1,102
Right-to-use Land	454	-	-	454
Total depreciable capital assets	4,460,082	116,376	(6,121)	4,570,337
Total capital assets	5,203,523	296,543	(128,354)	5,371,712
Accumulated depreciation / amortization:				
Land improvements	(64,988)	(3,117)	139	(67,966)
Buildings	(107,437)	(6,608)	1,579	(112,466)
Equipment	(172,736)	(15,634)	3,073	(185,297)
Street network	(2,839,318)	(55,243)	-	(2,894,561)
Bridge network	(20,049)	(2,029)	-	(22,078)
Right-to-use Buildings	(649)	(565)	100	(1,114)
Right-to-use Equipment	(943)	(232)	146	(1,029)
Right-to-use Land	(30)	(30)	-	(60)
Total accumulated depreciation / amortization	(3,206,150)	(83,458)	5,037	(3,284,571)
Total depreciable capital assets, net	1,253,932	32,918	(1,084)	1,285,766
Governmental activities capital assets, net	\$ 1,997,373	\$ 213,085	\$ (123,317)	\$ 2,087,141

The reductions to construction in progress includes \$15,535 in contributions to outside entities for capital improvements paid by the City.

Note 7. Capital Assets, continued

	Beginning Balance	Additions	Reductions	Ending Balance
BUSINESS-TYPE ACTIVITIES:				
Nondepreciable capital assets:				
Land	\$ 119,478	\$ 536	\$ -	\$ 120,014
Works of Art	1,028	-	-	1,028
Construction in progress	18,912	23,080	(17,025)	24,967
Total nondepreciable assets	<u>139,418</u>	<u>23,616</u>	<u>(17,025)</u>	<u>146,009</u>
Depreciable capital assets:				
Land improvements	443,979	17,486	-	461,465
Buildings	371,166	5,742	(11)	376,897
Parking garage	4,273	-	-	4,273
Equipment	74,273	3,267	(1,571)	75,969
Right-to-use Equipment	656	-	(16)	640
Total depreciable capital assets	<u>894,347</u>	<u>26,495</u>	<u>(1,598)</u>	<u>919,244</u>
Total capital assets	<u>1,033,765</u>	<u>50,111</u>	<u>(18,623)</u>	<u>1,065,253</u>
Accumulated depreciation / amortization				
Land improvements	(187,213)	(12,687)	-	(199,900)
Buildings	(149,859)	(11,994)	11	(161,842)
Parking garage	(1,788)	(164)	-	(1,952)
Right-to-use Equipment	(145)	(141)	5	(281)
Equipment	(53,357)	(2,698)	1,536	(54,519)
Total accumulated depreciation/ amortization	<u>(392,362)</u>	<u>(27,684)</u>	<u>1,552</u>	<u>(418,494)</u>
Total depreciable capital assets, net	<u>501,985</u>	<u>(1,189)</u>	<u>(46)</u>	<u>500,750</u>
Business-type activities capital assets, net	<u>\$ 641,403</u>	<u>\$ 22,427</u>	<u>\$ (17,071)</u>	<u>\$ 646,759</u>

Note 7. Capital Assets, continued

	Beginning Balance, as restated*	Additions	Reductions	Ending Balance
DISCRETELY PRESENTED COMPONENT UNITS:				
Nondepreciable capital assets:				
Land, easements and other	\$ 194,995	\$ -	\$ (232)	\$ 194,763
Water rights	9,594	-	-	9,594
Artwork	561	-	-	561
Construction in progress	70,596	106,516	(92,826)	84,286
Total nondepreciable capital assets	275,746	106,516	(93,058)	289,204
Depreciable capital assets:				
Land improvements and water and sewer lines	2,491,270	94,757	(12)	2,586,015
Buildings	424,601	7,672	-	432,273
Equipment	191,668	13,607	(3,951)	201,324
Right-to-use Building	164	90	-	254
Right-to-use Equipment	2,477	-	(327)	2,150
Right-to-use Land	3,029	-	(52)	2,977
Right-to-use Subscriptions	895	212	-	1,107
Total depreciable capital assets	3,114,104	116,338	(4,342)	3,226,100
Total capital assets	3,389,850	222,854	(97,400)	3,515,304
Accumulated depreciation / amortization:				
Land improvements and water and sewer lines	(1,024,605)	(47,953)	5	(1,072,553)
Buildings	(255,125)	(10,376)	-	(265,501)
Equipment	(126,546)	(12,379)	3,661	(135,264)
Right-to-use Building	-	(91)	-	(91)
Right-to-use Equipment	(285)	(272)	87	(470)
Right-to-use Land	(116)	(116)	52	(180)
Right-to-use Subscriptions	(136)	(191)	-	(327)
Total accumulated depreciation/ amortization	(1,406,813)	(71,378)	3,805	(1,474,386)
Total depreciable capital assets, net	1,707,291	44,960	(537)	1,751,714
Component unit capital assets, net	\$ 1,983,037	\$ 151,477	\$ (93,595)	\$ 2,040,918

* See Note 2 for explanation of restatement.

Depreciation expense is charged to functional activities as follows:

Governmental Activities		Business-type Activities		Component Units	
General government	\$ 4,057	Stormwater Management	\$ 11,648	TMUA	\$ 45,702
Public safety and protection	10,513	One Technology Center	1,392	TARE	1,024
Public works and transportation	63,743	Arena & Convention Center	10,760	Tulsa Airports	18,387
Social and economic development	544	Tulsa Stadium Trust	2,152	TAE0	1,450
Culture and recreation	4,601	Other	1,732	Other	4,815
	<u>\$ 83,458</u>		<u>\$ 27,684</u>		<u>\$ 71,378</u>

Note 8. Risk Management

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

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

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

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

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

Workers' Compensation Liability	2023	2022
Claims liability at beginning of year	\$ 25,216	\$ 23,455
Current year claims and changes in estimates	5,787	6,178
Claims payments	(4,251)	(4,417)
Claims liability at end of year	<u>26,752</u>	<u>25,216</u>
 Tort Claims Liability		
Claims liability at beginning of year	1,580	1,965
Current year claims and changes in estimates	2,014	468
Claims payments	(693)	(853)
Claims liability at end of year	<u>2,901</u>	<u>1,580</u>
 Total claims and judgment liability	 <u><u>\$ 29,653</u></u>	 <u><u>\$ 26,796</u></u>

Note 9. Pension and Deferred Compensation Plans

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

- Municipal Employees' Retirement Plan ("MERP")
- Oklahoma Firefighters Pension Fund
- Oklahoma Police Pension and Retirement System

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

Below is a summary of amounts reported by the City:

	MERP	Firefighters	OPPRS	Total
Net Pension Asset	\$ -	\$ -	\$ 14,520	\$ 14,520
Net Pension Liability	136,319	188,637	-	324,956
Deferred Outflows of Resources	22,503	57,496	32,710	112,709
Deferred Inflows of Resources	3,619	21,667	1,836	27,122
Pension Expense	19,720	22,186	3,767	45,673

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	2,514
Retirees and beneficiaries	
currently receiving benefits	2,193
Inactive members entitled to but	
not yet receiving a benefit	1,377
	<u>6,084</u>

5. Contributions - The contribution requirements of active members and the participating employers are established by City ordinance. Plan members were required to contribute 7.5% of covered compensation from January 1, 2021 to September 24, 2022 and 8.0% thereafter to the Plan. The City is required to contribute the remaining amounts necessary to fund the system, which was 16.5% of covered compensation from January 1, 2021 to September 24, 2022 and 17.0% thereafter of covered compensation. During the year the City contributed \$12,681 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 arithmetic real rate of return for each major asset class:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Fixed income	20%	2.75%
Domestic equity	36%	6.00%
International equity	24%	4.50%
Real estate	12%	5.25%
Commodities/Timber	7%	4.50%
Cash	1%	0.50%

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 8.8%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

7. Net Pension Liability (for MERP):

Total pension liability	\$ 853,634
Plan fiduciary net position	(573,268)
Net pension liability	<u>\$ 280,366</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>67.2%</u>

The total pension liability was determined using an actuarial valuation date of January 1, 2023 rolled forward from the valuation date to the fiscal year ending June 30, 2023 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	42.1166%	\$ 118,081
Business type activities	6.5052%	18,238
Component units	38.8648%	108,964
Organizations not in reporting entity	12.5134%	35,083
	100.0000%	\$ 280,366

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

Valuation date	January 1, 2023
Investment rate of return*	6.75%
Projected salary increases*	3.50% - 9.5%
* Includes inflation at	2.50%
Mortality rates	PubG-2010 Mortality Tables, projected generationally with the ultimate rates of Scale MP-2021 from the 2010 base year

The actuarial assumptions used were based on the results of an actuarial experience study for the five-year period ending December 31, 2020.

9. Discount Rate (for MERP) - A discount rate of 6.75% 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 6.75%.

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 6.75% 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 5.75%	Discount Rate 6.75%	1% Increase 7.75%
Plan	\$383,915	\$ 280,366	\$193,934
Primary Government	\$186,666	\$ 136,319	\$ 94,294

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 \$19,720. At June 30, 2023, 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	\$ 11,624	\$ 40
Assumption Change	3,973	2,404
Net difference between projected and actual earnings on pension plan investments	2,996	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	3,910	1,175
	<u>\$ 22,503</u>	<u>\$ 3,619</u>

The deferred outflows related to the difference between projected and actual investment earnings are being amortized over a closed 5-year period 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 3.88 to 4.2. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (gain) as follows:

Year ended June 30 th	
2024	\$ 6,662
2025	1,241
2026	12,045
2027	(1,064)
	<u>\$ 18,884</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, 2022, 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, 2023, was 14% of annual payroll, employee participants were required to contribute 9%. Contributions to the pension plan from the City were \$8,736 for the year ended June 30, 2023. The State of Oklahoma, a non-employer contributing agency, contributes 37.8% of taxes received from the tax on premiums collected by insurance companies operating in Oklahoma. The State of Oklahoma contributed \$20,287 to the Firefighters System on behalf of the City for the year ended June 30, 2023.

4. Pension Liabilities, Pension Asset, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2023, the City reported a liability of \$188,637 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, 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, 2022, the City's proportion was 14.4247%, a decrease of 2.4059% from the prior year.

For the year ended June 30, 2023, the City recognized pension expense of \$22,186. At June 30, 2023, 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	\$ 24,216	\$ 952
Assumption Change	-	1,203
Net difference between projected and actual earnings on pension plan investments	21,922	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,622	19,512
City contributions subsequent to the measurement date	8,736	-
	<u>\$ 57,496</u>	<u>\$ 21,667</u>

\$8,736 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, 2024.

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 4.42 to 6.31 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)
2024	\$ 6,982
2025	4,949
2026	(2,134)
2027	17,296
	<u>\$ 27,093</u>

5. Actuarial assumptions - The total pension liability was determined by an actuarial valuation as of June 30, 2022, 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, 2022 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	5.66%
Fixed income	20%	International equity	8.34%
Real estate and other	18%	Fixed income	3.62%
	<u>100%</u>	Real estate	7.64%
		Other investments	5.08%

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 an allocation of the insurance premium, as established by Oklahoma statute. Prior to July 1, 2020, the Firefighters System was allocated 36% of the statewide insurance premium tax. The State of Oklahoma has passed legislation that changes the allocation to the following percentages as follows:

- 25.2% effective September 1, 2020
- 36.0% effective July 1, 2021
- 37.8% effective July 1, 2022
- 36.0% effective July 1, 2027

The Firefighters System will also receive \$40,625 each year from July 1, 2020 through June 30, 2027. 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	\$ 243,073	\$ 188,637	\$ 143,104

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, 2023, was 13% of annual payroll, employee participants were required to contribute 8%. The State of Oklahoma, a non-employer contributing agency, contributes 14.7% of taxes received from the tax on premiums collected by insurance companies operating in Oklahoma. Contributions to the pension plan from the City were \$9,206 for the year ended June 30, 2023. The State of Oklahoma contributed \$8,318 to the Police System on behalf of the City for the year ended June 30, 2023.

Note 9. Pension and Deferred Compensation Plans, continued

4. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2023, the City reported an asset of \$14,520 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2022, and the total pension asset 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, 2022, the City's proportion was 18.1069%, a decrease of 1.2068% from the prior year.

For the year ended June 30, 2023, the City recognized pension expense of \$3,767. At June 30, 2023, 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	\$ 7,122	\$ 1,582
Assumption Change	506	-
Net difference between projected and actual earnings on pension plan investments	14,169	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,707	254
City contributions subsequent to the measurement date	9,206	-
	<u>\$ 32,710</u>	<u>\$ 1,836</u>

\$9,206 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, 2024.

The deferred inflows 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 ended June 30th	
2024	\$ 4,873
2025	1,525
2026	(3,477)
2027	17,653
2028	1,094
	<u>\$ 21,668</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, 2022, 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, 2022 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	65%	Domestic Equity	2.38%
Fixed Income	20%	International equity	6.03%
Real Estate and other investments	15%	Private equity/debt	7.35%
	<u>100%</u>	Fixed Income	1.03%
		Real Estate	5.33%

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)	\$ 42,070	\$ (14,520)	\$ (62,353)

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 96.55% of the OPEB liability. Other organizations, not in the reporting entity account for the remaining 3.45%. 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	66
Active employees	1,993
	<u>2,059</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 \$5,607 was measured as of June 30, 2023 and was determined by an actuarial valuation as June 30, 2022. Standard update procedures were used to roll forward the total OPEB liability to June 30, 2023.

Proportionate share and OPEB liability reported in:

Governmental activities	47.59%	\$	2,668
Business type activities	9.45%		531
Component units	39.51%		2,217
Organizations not in reporting entity	3.45%		191
		<u>\$</u>	<u>5,607</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, 2022
Inflation rate	3.0%
Current year healthcare cost trend rate	7.5%
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-2021. Surviving spouses mortality were based on SOA Pub-2010 Contingent Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2021

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 4.13 percent as of June 30, 2023, 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 4.13% discount rate and if the discount rate was decreased 1% to 3.13% and if the discount rate was increased 1% to 5.13%:

	1% Decrease 3.13%	Discount Rate 4.13%	1% Increase 5.13%
Plan	\$ 6,089	\$ 5,607	\$ 5,175
Primary Government	\$ 3,473	\$ 3,199	\$ 2,952

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 7.5% 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 6.5% decreasing .5% to an ultimate trend rate of 3.5% as well as if the trend rate was increased to 8.5% decreasing .5% to an ultimate trend rate of 5.5%:

	1% Decrease	Healthcare Cost Trend Rates Assumption	1% Increase
Plan	\$ 5,054	\$ 5,607	\$ 6,249
Primary Government	\$ 2,883	\$ 3,199	\$ 3,564

Note 10. Other Post-Employment Benefits, continued

10. OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - The primary government's OPEB expense for the year was \$12. At June 30, 2023, 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	\$ 543	\$ 246
Assumption Change	164	299
Changes in proportion and differences between employer contributions and proportionate share of contributions	103	44
	<u>\$ 810</u>	<u>\$ 589</u>

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

Year ended June 30 th		
2024	\$	131
2025		155
2026		(45)
2027		(20)
	<u>\$</u>	<u>221</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 \$8,164 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 \$8,366 to the Trust during the year as required by the annual collective bargaining contract and recognized the same amount as expense. No additional amounts were due to the Trust by the City at year-end.

Note 11. Long-Term Liabilities

A. LONG-TERM LIABILITIES

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

	Beginning Balance (as restated)	Additions	Reductions	Ending Balance	Due Within One Year
PRIMARY GOVERNMENT					
Governmental activities:					
General obligation bonds	\$ 391,774	\$ 64,680	\$ (81,978)	\$ 374,476	\$ 61,300
Revenue bonds	273,895	-	(44,775)	229,120	44,445
Other long-term liabilities	292,289	200,329	(110,201)	382,417	35,526
Premium on debt issuance - GO bonds	11,607	1,819	(4,099)	9,327	-
Discount on debt issuance - Revenue bonds	(182)	-	17	(165)	-
Premium on debt issuance - Revenue bonds	10,085	-	(4,127)	5,958	-
Total governmental activities	979,468	266,828	(245,163)	1,001,133	141,271
Business-type activities:					
Revenue bonds	96,435	8,325	(5,475)	99,285	5,525
Discount on debt issuance - Revenue bonds	(357)	22	(42)	(377)	-
Premium on debt issuance - Revenue bonds	1,868	135	(316)	1,687	-
Compensated absences	1,201	1,323	(1,175)	1,349	880
Total other post-employment benefits liability	493	144	(106)	531	30
Net pension liability	17,601	6,596	(5,959)	18,238	-
Lease liability	520	-	(144)	376	136
Total business-type activities	117,761	16,545	(13,217)	121,089	6,571
Total primary government	\$ 1,097,229	\$ 283,373	\$ (258,380)	\$ 1,122,222	\$ 147,842
DISCRETELY PRESENTED COMPONENT UNITS					
Revenue bonds:					
TAIT	\$ 147,805	\$ -	\$ (9,007)	\$ 138,798	\$ 8,063
TMUA	190,460	-	(20,050)	170,410	20,505
TAE0	27,360	-	(390)	26,970	560
Discount on debt issuance - TMUA	(154)	-	10	(144)	-
Premium on debt issuance - TMUA	5,257	-	(1,470)	3,787	-
Discount on debt issuance - TAIT	(11)	-	11	-	-
Premium on debt issuance - TAIT	3,352	-	(517)	2,835	-
Discount on debt issuance - TAE0	(290)	-	30	(260)	-
	373,779	-	(31,383)	342,396	29,128
General obligation bonds - TMUA	3,546	-	(1,007)	2,539	980
Premium on debt issuance - TMUA	44	-	(20)	24	-
	3,590	-	(1,027)	2,563	980
Promissory notes - TMUA	163,996	8,560	(13,394)	159,162	13,162
Premium on debt issuance - TMUA	3,891	-	(341)	3,550	-
	167,887	8,560	(13,735)	162,712	13,162
Lease liability	7,808	90	(844)	7,054	572
Subscription liability	759	174	(236)	697	297
Compensated absences	7,421	4,926	(4,722)	7,625	4,288
Other post-employment benefits liability	2,250	414	(447)	2,217	129
Net pension liability	109,940	39,696	(35,732)	113,904	-
Total discretely presented component units	\$ 673,434	\$ 53,860	\$ (88,126)	\$ 639,168	\$ 48,556

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 wastewater 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 advance 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:

	Issue Amount	Maturity Date	Interest Rate	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities								
General obligation bonds:								
Series 2013A, Refunding	\$ 23,746	2025	2.50%	\$ 5,027	\$ -	\$ (1,766)	\$ 3,261	\$ 1,714
Series 2013	45,000	2023	4.0%	5,000	-	(5,000)	-	-
Series 2014A, Refunding	15,875	2025	3.0%	5,112	-	(1,368)	3,744	1,334
Series 2015A, Refunding	41,198	2027	2.0-2.5%	15,620	-	(3,274)	12,346	3,197
Series 2016	57,000	2036	3.0%	42,000	-	(3,000)	39,000	3,000
Series 2017	78,000	2037	3.0-4.0%	61,580	-	(4,105)	57,475	4,105
Series 2020	90,000	2026	5.0%	72,000	-	(18,000)	54,000	18,000
Series 2021A, Refunding	30,465	2023	0.8%	30,465	-	(30,465)	-	-
Series 2021	102,950	2031	0.5-2.0%	102,950	-	-	102,950	12,800
Series 2022A, Refunding	52,020	2031	2.0-3.0%	52,020	-	(15,000)	37,020	17,150
Series 2022	64,680	2031	3.0%	-	64,680	-	64,680	-
				391,774	64,680	(81,978)	374,476	61,300
Premium on debt issuance				11,607	1,819	(4,099)	9,327	-
				403,381	66,499	(86,077)	383,803	61,300
Revenue bonds:								
Capital Improvements - 2021	4,315	2028	1.250-2.0%	3,725	-	(600)	3,125	610
Capital Improvements - 2017	115,300	2032	3.0%	86,410	-	(7,605)	78,805	7,790
Capital Improvements - 2018	118,100	2031	4.0%	99,830	-	(7,035)	92,795	9,205
Capital Improvements - 2019	113,895	2025	5.0%	83,930	-	(29,535)	54,395	26,840
				273,895	-	(44,775)	229,120	44,445
Discount on debt issuance				(182)	-	17	(165)	-
Premium on debt issuance				10,085	-	(4,127)	5,958	-
				283,798	-	(48,885)	234,913	44,445
Other long-term liabilities:								
Compensated absences				37,587	25,415	(24,334)	38,668	25,213
Total other post-employment benefits liability				2,718	506	(556)	2,668	156
Net pension liability				219,164	165,130	(77,576)	306,718	-
Lease liability				5,748	-	(2,791)	2,957	1,404
Arbitrage rebate liability				276	1,477	-	1,753	-
Claims and judgments				26,796	7,801	(4,944)	29,653	8,753
				292,289	200,329	(110,201)	382,417	35,526
Total governmental activities				\$ 979,468	\$ 266,828	\$ (245,163)	\$ 1,001,133	\$ 141,271
Business-type activities								
Revenue bonds:								
Capital Improvements - 2008	\$ 16,000	2027	6.069%	\$ 4,090	\$ -	\$ (855)	\$ 3,235	\$ 515
Capital Improvements - 2020	24,150	2035	3.0%	21,265	-	(1,480)	19,785	1,500
Capital Improvements - 2023	8,325	2043	3.5-4.0%	-	8,325	-	8,325	275
Lease Revenue Bonds 2017A, Refunding	34,185	2038	3.0-4.0%	34,185	-	-	34,185	-
Lease Revenue Bonds 2017B, Refunding	25,465	2029	3.0-3.10%	18,605	-	(2,405)	16,200	2,475
Improvement District - 2013, Tax-exempt	19,355	2039	4.26%	15,135	-	(620)	14,515	640
Improvement District - 2013, Taxable	3,950	2039	5.24%	3,155	-	(115)	3,040	120
				96,435	8,325	(5,475)	99,285	5,525
Discount on debt issuance				(357)	22	(42)	(377)	-
Premium on debt issuance				1,868	135	(316)	1,687	-
				97,946	8,482	(5,833)	100,595	5,525
Other long-term liabilities:								
Compensated absences				1,201	1,323	(1,175)	1,349	880
Total other post-employment benefits liability				493	144	(106)	531	30
Net pension liability				17,601	6,596	(5,959)	18,238	-
Lease liability				520	-	(144)	376	136
Total business-type activities				\$ 117,761	\$ 16,545	\$ (13,217)	\$ 121,089	\$ 6,571

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 2013A, Refunding (26.438% Sewer)	\$ 4,435	\$ 3,261	\$ 1,174
Series 2014A, Refunding (2.6354839% Sewer)	3,845	3,744	101
Series 2015A, Refunding (9.2949512% Sewer)	13,610	12,346	1,264
Series 2016	39,000	39,000	-
Series 2017	57,475	57,475	-
Series 2020	54,000	54,000	-
Series 2021	102,950	102,950	-
Series 2022A, Refunding	37,020	37,020	-
Series 2022	64,680	64,680	-
	<u>\$ 377,015</u>	<u>\$ 374,476</u>	<u>\$ 2,539</u>

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.

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 – TAE0

Certain bonds issued by the TAE0 are special and limited obligations of TAE0; payable solely out of revenues derived from and in connection with the underlying loan agreements and the underlying security provided under the loan agreements. Neither TAE0 nor the City is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as a liability in the accompanying financial statements.

At June 30, 2023, the aggregate outstanding principal balances due on these notes and bonds are approximately \$83,350.

Note 11. Long-Term Liabilities, continued

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

	Authorized Amount	Maturity Date	Interest Rate	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
REVENUE BONDS:								
<u>Tulsa Airports Improvement Trust</u>								
Series 2013-A	\$ 33,665	2043	5.0-5.625%	\$ 805	\$ -	\$ (805)	\$ -	\$ -
Series 2013-B	3,275	2024	1.389-5.087%	1,270	-	(290)	980	980
Series 2015-A	44,045	2045	2.0-5.0%	3,360	-	(2,810)	550	550
Series 2015-C	895	2045	2.0-4.25%	755	-	(20)	735	20
Series 2016-A	1,500	2027	3.82%	530	-	(117)	413	103
Series 2017-A	54,180	2037	1.888-3.977%	52,030	-	(1,270)	50,760	1,765
Series 2018-A	19,825	2048	4.0-5.25%	19,440	-	(405)	19,035	425
Series 2020-A	15,965	2028	5.0%	11,980	-	(2,075)	9,905	2,135
Series 2021-A	1,975	2026	4.0%	1,655	-	(420)	1,235	445
Series 2021-B	55,980	2045	0.496-3.099%	55,980	-	(795)	55,185	1,640
				147,805	-	(9,007)	138,798	8,063
Discount on debt issuance				(11)	-	11	-	-
Premium on debt issuance				3,352	-	(517)	2,835	-
				151,146	-	(9,513)	141,633	8,063
<u>Tulsa Metropolitan Utility Authority</u>								
Series 2013 Refunding	\$ 61,280	2025	2.5-3.0%	\$ 20,820	\$ -	\$ (4,900)	\$ 15,920	\$ 5,100
Series 2014	17,825	2034	3.0-3.50%	13,045	-	(735)	12,310	750
Series 2015 Refunding	9,940	2027	2.0-3.0%	4,110	-	(795)	3,315	820
Series 2016A	16,565	2031	3.0-3.25%	10,985	-	(980)	10,005	1,000
Series 2016B	10,885	2036	2.0-3.50%	8,285	-	(460)	7,825	465
Series 2016C Refunding	34,810	2025	5.0%	18,020	-	(3,515)	14,505	3,585
Series 2017A Refunding	27,765	2030	3.0-3.125%	18,370	-	(1,940)	16,430	1,965
Series 2018A	11,850	2038	3.125-3.250%	10,105	-	(460)	9,645	470
Series 2019A Refunding	18,705	2027	5.0%	12,700	-	(2,080)	10,620	2,120
Series 2019B	12,430	2039	3.0%	11,010	-	(490)	10,520	500
Series 2020A	26,695	2031	1.0-2.0%	24,655	-	(2,065)	22,590	2,095
Series 2020B	24,770	2040	1.0-2.0%	23,755	-	(1,025)	22,730	1,030
Series 2022A	14,600	2042	3.0-3.125%	14,600	-	(605)	13,995	605
				190,460	-	(20,050)	170,410	20,505
Discount on debt issuance				(154)	-	10	(144)	-
Premium on debt issuance				5,257	-	(1,470)	3,787	-
				195,563	-	(21,510)	174,053	20,505
<u>Tulsa Authority for Economic Opportunity</u>								
Series 2021 (Santa Fe)	\$ 19,630	2038	4.375%	\$ 19,630	\$ -	\$ (235)	\$ 19,395	\$ 265
Series 2021 (Vast Bank)	7,760	2038	4.0%	7,730	-	(155)	7,575	295
				27,360	-	(390)	26,970	560
Discount on debt issuance				(290)	-	30	(260)	-
				27,070	-	(360)	26,710	560
				\$ 373,779	\$ -	\$ (31,383)	\$ 342,396	\$ 29,128

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
PROMISSORY NOTES:								
<u>Tulsa Metropolitan Utility Authority</u>								
Series 2004-B, Sanitary Sewer (SRF)	\$ 1,560	2023	0.50%	\$ 120	\$ -	\$ (80)	\$ 40	\$ 40
Series 2005-B, Sanitary Sewer (SRF)	7,900	2027	3.10%	2,564	-	(434)	2,130	448
Series 2005-C, Sanitary Sewer (SRF)	1,203	2025	0.50%	211	-	(60)	151	60
Series 2006-A, Sanitary Sewer (SRF)	3,130	2027	3.10%	990	-	(168)	822	173
Series 2006-C, Sanitary Sewer (SRF)	17,825	2029	3.10%	7,551	-	(908)	6,643	936
Series 2007-A, Sanitary Sewer (SRF)	5,131	2026	0.50%	1,184	-	(263)	921	263
Series 2009-A, Sanitary Sewer (SRF)	11,320	2032	3.22%	5,356	-	(566)	4,790	566
Series 2010-A, Sanitary Sewer (SRF)	27,757	2032	2.89%	14,571	1	(1,388)	13,184	1,222
Series 2011 A, Sanitary Sewer (SRF)	23,480	2033	3.11%	13,188	46	(1,174)	12,060	985
Series 2011-C, Sanitary Sewer (SRF)	16,700	2034	2.55%	10,266	-	(740)	9,526	759
Series 2012-A, Sanitary Sewer (SRF)	4,347	2034	2.43%	2,641	-	(217)	2,424	217
Series 2012-B, Sanitary Sewer (FAP)	11,355	2032	3.145-3.395%	6,890	-	(540)	6,350	555
Series 2013-A, Sanitary Sewer (SRF)	9,850	2035	2.24%	6,659	24	(518)	6,165	518
Series 2013-B, Sanitary Sewer (FAP)	27,605	2033	4.156-5.145%	18,950	-	(1,200)	17,750	1,260
Series 2014-A, Sanitary Sewer (SRF)	2,910	2035	2.58%	1,940	-	(146)	1,794	123
Series 2014-B, Sanitary Sewer (FAP)	10,180	2033	3.145-4.06%	6,885	-	(480)	6,405	495
Series 2014-C, Sanitary Sewer (FAP)	17,735	2034	4.145-5.145%	13,115	-	(760)	12,355	790
Series 2015-A, Sanitary Sewer (SRF)	28,330	2038	2.46%	19,551	1,784	(1,417)	19,918	1,417
Series 2017-A Sanitary Sewer(SRF)	21,725	2040	2.26%	17,057	2,075	(1,086)	18,046	1,086
Series 2018-A, Sanitary Sewer (SRF)	14,350	2041	2.53%	11,826	1,172	(718)	12,280	718
Series 2019-A, Sanitary Sewer (SRF)	10,626	2041	2.32%	2,481	3,458	(531)	5,408	531
				163,996	8,560	(13,394)	159,162	13,162
Premium on debt issuance - TMUA				3,891	-	(341)	3,550	-
				\$ 167,887	\$ 8,560	\$ (13,735)	\$ 162,712	\$ 13,162
GENERAL OBLIGATION BONDS:								
<u>Tulsa Metropolitan Utility Authority</u>								
Series 2013A Refunding, Sanitary Sewer	\$ 8,534	2025	2.50%	\$ 1,808	\$ -	\$ (634)	\$ 1,174	\$ 616
Series 2014A Refunding, Sanitary Sewer	430	2026	3.0%	138	-	(37)	101	36
Series 2015A Refunding, Sanitary Sewer	4,222	2027	2.0-2.5%	1,600	-	(336)	1,264	328
				3,546	-	(1,007)	2,539	980
Premium on debt issuance - TMUA				44	-	(20)	24	-
				\$ 3,590	\$ -	\$ (1,027)	\$ 2,563	\$ 980

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
2024	\$ 61,300	\$ 10,209	\$ 49,970	\$ 12,218	\$ 111,270	\$ 22,427
2025	56,969	8,437	53,490	10,020	110,459	18,457
2026	52,576	6,774	26,295	7,727	78,871	14,501
2027	38,726	5,167	26,635	6,822	65,361	11,989
2028	32,655	4,275	25,900	5,850	58,555	10,125
2029-2033	106,825	10,544	108,950	15,481	215,775	26,025
2034-2038	25,425	2,183	32,790	3,928	58,215	6,111
2039-2043	-	-	4,375	390	4,375	390
	<u>\$ 374,476</u>	<u>\$ 47,589</u>	<u>\$ 328,405</u>	<u>\$ 62,436</u>	<u>\$ 702,881</u>	<u>\$ 110,025</u>

Year	Discretely Presented Component Units							
	General Obligation		Revenue Bonds		Promissory Notes		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 980	\$ 60	\$ 29,128	\$ 10,826	\$ 13,162	\$ 4,644	\$ 43,270	\$ 15,530
2025	911	37	30,046	9,866	13,375	4,413	44,332	14,316
2026	344	16	34,891	8,789	13,619	3,995	48,854	12,800
2027	304	8	24,338	7,837	13,764	3,576	38,406	11,421
2028	-	-	18,435	7,035	13,588	3,148	32,023	10,183
2029-2033	-	-	88,925	26,801	64,921	9,486	153,846	36,287
2034-2038	-	-	71,380	13,519	23,464	1,580	94,844	15,099
2039-2043	-	-	31,210	4,621	3,269	93	34,479	4,714
2044-2048	-	-	7,825	1,037	-	-	7,825	1,037
	<u>\$ 2,539</u>	<u>\$ 121</u>	<u>\$ 336,178</u>	<u>\$ 90,331</u>	<u>\$ 159,162</u>	<u>\$ 30,935</u>	<u>\$ 497,879</u>	<u>\$ 121,387</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.

E. BONDS AUTHORIZED BUT UNISSUED

TMUA Utility Revenue Bonds – The City and TMUA have authorized the issuance of an amount not to exceed \$36,000 of TMUA Utility Revenue Bonds. The proceeds of the bonds, when issued, will be used to construct a fertilizer production facility at the Haikey Creek Wastewater Treatment Plant.

Note 12. Fund Balances of Governmental Funds

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

	General	Debt Service	Bond	Sales Tax	Limited- Purpose Sales Tax Fund	Other Governmental Funds	Total Governmental Funds
Fund balances:							
Nonspendable:							
Not in spendable form:							
Advances to other funds	\$ 492	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 492
Inventory	61	-	-	-	-	-	61
	<u>553</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>553</u>
Restricted for:							
Economic stabilization reserve	-	-	-	-	-	12,958	12,958
Debt service	-	74,361	-	-	4,822	-	79,183
Capital projects	-	-	199,338	254,682	160,408	23,201	637,629
Federal and state grants	-	-	-	-	-	3,809	3,809
E-911 operations	-	-	-	-	-	2,319	2,319
Economic development	-	-	-	-	-	13,033	13,033
Transportation	-	-	-	-	-	9,802	9,802
Tulsa Stadium district improvements	-	-	-	-	-	236	236
Opioid remediation	-	-	-	-	-	2,664	2,664
Public safety	-	-	-	-	-	17,641	17,641
Other governmental purposes	-	-	-	-	-	173	173
	<u>-</u>	<u>74,361</u>	<u>199,338</u>	<u>254,682</u>	<u>165,230</u>	<u>85,836</u>	<u>779,447</u>
Committed:							
Tourism promotion	-	-	-	-	-	98	98
Medical services program	-	-	-	-	-	7,464	7,464
Kendall Whittier district improvements	-	-	-	-	-	25	25
Whittier Square district improvements	-	-	-	-	-	21	21
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,608</u>	<u>7,608</u>
Assigned to:							
Budgetary resources - subsequent year	30,584	-	-	-	-	-	30,584
Facility improvements	-	-	-	-	-	200	200
Opioid remediation	-	-	-	-	-	135	135
	<u>30,584</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>335</u>	<u>30,919</u>
Unassigned (deficit)	<u>85,809</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,695)</u>	<u>80,114</u>
	<u>\$ 116,946</u>	<u>\$ 74,361</u>	<u>\$ 199,338</u>	<u>\$ 254,682</u>	<u>\$ 165,230</u>	<u>\$ 88,084</u>	<u>\$ 898,641</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	Capital improvements and debt service
	Proceeds from bond issuances	

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 TPFA. The total principal and interest remaining on the debt is \$258,279 with annual debt service requirements ranging from \$12,770 to \$53,824 through 2032. Principal and interest paid during the year amounted to \$54,816. Sales and use tax revenue recorded by the City was \$85,973.

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 48% of gross revenues. The total principal and interest remaining to be paid on the bonds is \$63,832. Principal and interest paid on the bonds amounted to \$4,069. Current year operating revenue was \$8,563.

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 80% of sponsorship and naming right revenues. The total principal and interest remaining to be paid on the bonds is \$3,832. Principal and interest paid for the year was \$1,103. 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 and 2023. 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 \$36,044 with annual requirements ranging from \$612 to \$2,712 through 2043. During 2023 the City provided \$2,300 related to the Projects Agreement. Principal and interest paid for the year was \$2,118.

Tulsa Parking Bonds Project – TPFA has entered into a Projects Agreement with the City to provide financing to assist with the refunding of debt issued by the TPA and subsequently issued its Series 2021 Capital Improvements Revenue Bonds. The City has pledged available revenues to pay the principal and interest of the Series 2021 Capital Improvement Revenue Bonds issued by the TPFA. The City also entered into a funding agreement with the TAO requiring TAO to make the principal and interest payments required on the 2021 Capital Improvements Revenue Bonds from TAO parking facility revenues and other available revenue of TAO. The TAO provided \$654 related to the funding agreement during the year. The total principal and interest remaining on the debt is \$3,267 with annual debt service requirements ranging from \$651 to \$658 through 2028. TPFA paid \$651 in principal and interest payments during the year.

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 55% of total gross revenues. The total principal and interest remaining to be paid on the bonds is \$25,588. Principal and interest required to be paid for the year was \$1,602 exclusive of any additional amounts paid. Total operating revenues were \$225 and property tax assessments received from the City were \$2,308.

Note 13. Pledged Revenue, continued

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 \$170,410 in water and wastewater system revenue bonds and future wastewater customer revenues, net of specified operating expenses, to repay \$159,162 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 2042. Total net revenues as described above were \$122,515 and \$83,316 for bonds and promissory notes, respectively. Annual principal and interest payments on the bonds and promissory notes required 21% and 22% of water and wastewater net revenues, respectively. The total principal and interest remaining to be paid on the bonds and promissory notes is \$77,692 and \$312,069 for water and wastewater, respectively. Combined principal and interest paid for the year were \$13,975 and \$29,905, for water and wastewater, respectively.

Airports - TAIT has pledged future revenues derived from the operation of the Airports to repay approximately \$138,798 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 18% of gross revenues. The total principal and interest remaining to be paid on the bonds is \$189,366. Principal and interest paid for the year was \$14,248. Total gross revenues were \$80,003.

TAE0 – TAE0 has pledged future tax increment revenues derived from certain developed properties within Tax Increment District No. 11 to repay approximately \$7,760 in tax apportionment revenue bonds. Proceeds from the bonds provided financing for the development of the property. Total principal and interest remaining to be paid on the bonds is \$10,248 with annual requirements ranging from \$592 to \$1,051 through 2038. Principal and interest paid for the year amounted to \$461. Current year tax increment revenue totaled \$781. Annual debt service required 41% of tax increment revenues within District No. 11.

TAE0 has pledged future tax increment revenues derived from certain developed properties within Tax Increment District No. 8 to repay approximately \$19,630 in tax apportionment revenue bonds. Proceeds from the bonds provided financing for the development of the property. Total principal and interest remaining to be paid on the bonds is \$27,232 with annual requirements ranging from \$1,108 to \$2,141 through 2042. Principal and interest paid for the year amounted to \$1,089. Current year tax increment revenue totaled \$640. Annual debt service required 100% of tax increment revenues within District No. 8 plus cash available from prior year tax increment revenues.

Note 14. Leases

Lease receivable

The City is a lessor of various leases, such as a sports venue, conduit and tower space, and land within the Governmental activities. In the Business-type activities One Technology Center leases commercial office space, TST lease a sporting facility and the Air Force Plant 3 fund leases industrial space. The leases have various length terms through 2057. In the governmental activities the City recognized \$228 in lease revenue and \$213 in interest revenue during the current fiscal year related to these leases. In the business-type activities the City recognized \$2,180 in lease revenue and \$706 in interest revenue during the current fiscal year related to these leases. As of June 30, 2023, the City's lease receivable is \$16,332 and the deferred inflow of \$16,065.

The schedule below shows future expected rent receipts:

Year	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 193	\$ 97	\$ 290	\$ 2,048	\$ 342	\$ 2,390
2025	197	93	290	1,905	287	2,192
2026	199	90	289	1,856	235	2,091
2027	203	85	288	1,600	184	1,784
2028	213	81	294	769	152	921
2029-2033	725	357	1,082	2,294	515	2,809
2034-2038	813	278	1,091	1,500	214	1,714
2039-2043	476	202	678	261	7	268
2044-2048	390	147	537	-	-	-
2049-2053	424	87	511	-	-	-
2054-2057	266	25	291	-	-	-
	<u>\$ 4,099</u>	<u>\$ 1,542</u>	<u>\$ 5,641</u>	<u>\$ 12,233</u>	<u>\$ 1,936</u>	<u>\$ 14,169</u>

Lease payable

The City is a lessee of various leases for land, buildings, equipment and tower space through fiscal year 2036. Payments are made periodically based on each individual contract term. Payments made during the current year were \$2,286, with \$142 of this amount charged to interest expense.

Future principal and interest lease payments as of June 30, 2023, were as follows:

Year	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 1,404	\$ 95	\$ 1,499	\$ 136	\$ 5	\$ 141
2025	1,206	65	1,271	138	3	141
2026	29	6	35	83	1	84
2027	29	6	35	19	-	19
2028	30	5	35	-	-	-
2029-2033	157	17	174	-	-	-
2034-2036	102	2	104	-	-	-
	<u>\$ 2,957</u>	<u>\$ 196</u>	<u>\$ 3,153</u>	<u>\$ 376</u>	<u>\$ 9</u>	<u>\$ 385</u>

The City and TPFA have a lease agreement for the City to use office space in One Technology Center. The lease receivable and obligation of this transaction has been eliminated from the above schedules.

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 ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of audits of grant funds is not believed to be material.

Note 16. Commitments

Primary Government Encumbrances:

Governmental Funds:

Major Funds:

General Fund	\$ 9,839
Sales Tax Fund	60,774
Limited Purpose Sales Tax Fund	44,046
Bond Fund	55,474
ARPA	19,047
Nonmajor Funds	76,014

265,194

Internal Service Funds

830

Enterprise Funds:

Major Funds:

Stormwater Management Fund	14,770
One Technology Center Fund	1,306
Arena and Convention Fund	188

Nonmajor Funds	662
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16,926

Total Primary Government

\$ 282,950

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, 2023, through December 21, 2023, the date these financial statements were available to be issued.

Improve our Tulsa Capital Improvements Proposition – On August 8, 2023, Tulsa voters approved \$814 improvements for various City projects. The projects will be funded in part with a combination of General Obligation and Sales Tax Bonds.

General Obligation Bonds, Series 2024 – The Series 2024A bonds sold on December 6, 2023 in the amount of \$63,670 to be used to finance improvements to streets, bridges, parks and public facilities. The City has authorized the sale of Series 2024B bonds in the amount of \$46,950 to be used to finance improvements to public safety buildings.

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. 101 – Compensated Absences – Issued in June 2022, this Statement will be effective for the City beginning with its fiscal year ending June 30, 2025. The primary objective of this Statement is to provide guidance on the accounting and financial reporting requirements for (a) compensated absences and (b) associated salary-related payments, including certain defined contribution pensions and defined contribution other postemployment benefits (OPEB).

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability:										
Service cost	\$ 16,326	\$ 16,600	\$ 15,210	\$ 14,578	\$ 14,554	\$ 14,049	\$ 13,853	\$ 12,203	\$ 12,561	\$ 15,518
Interest	53,833	52,456	50,070	48,711	49,088	47,429	46,331	41,536	40,928	38,247
Changes of benefit terms	-	186	(2,071)	-	(72)	-	(191)	-	(788)	-
Differences between expected and actual experience	26,380	7,932	(360)	(55)	(7,790)	1,547	(6,652)	2,979	(8,598)	(1,581)
Changes of assumptions	-	(9,440)	36,028	-	27,868	-	-	61,038	-	(71,058)
Benefit payments, including refunds of member contributions	(48,207)	(45,908)	(45,657)	(42,648)	(41,909)	(40,431)	(37,222)	(36,326)	(35,842)	(33,472)
Net change in total pension liability	48,332	21,826	53,220	20,586	41,739	22,594	16,119	81,430	8,261	(52,346)
Total pension liability—beginning	805,302	783,476	730,256	709,670	667,931	645,337	629,218	547,788	539,527	591,873
Total pension liability—ending (a)	<u>\$ 853,634</u>	<u>\$ 805,302</u>	<u>\$ 783,476</u>	<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>
Plan fiduciary net position:										
Contributions—employer	\$ 26,376	\$ 22,307	\$ 20,897	\$ 20,305	\$ 19,251	\$ 18,512	\$ 13,562	\$ 14,016	\$ 12,886	\$ 12,003
Contributions—member	12,318	10,136	9,143	8,515	8,065	7,794	7,653	7,533	7,182	6,677
Net investment income	46,815	(52,164)	142,509	15,809	18,283	38,461	51,278	5,523	10,797	61,164
Benefit payments, including refunds of member contributions	(48,207)	(45,908)	(45,657)	(42,648)	(41,909)	(40,431)	(37,222)	(36,326)	(35,842)	(33,472)
Administrative expense	(540)	(488)	(562)	(522)	(466)	(493)	(409)	(375)	(295)	(313)
Net change in plan fiduciary net position	36,762	(66,117)	126,330	1,459	3,224	23,843	34,862	(9,629)	(5,272)	46,059
Plan fiduciary net position—beginning	536,506	602,623	476,293	474,834	471,610	447,767	412,905	422,534	427,806	381,747
Plan fiduciary net position—ending (b)	<u>\$ 573,268</u>	<u>\$ 536,506</u>	<u>\$ 602,623</u>	<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>\$ 280,366</u>	<u>\$ 268,796</u>	<u>\$ 180,853</u>	<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:

Changes of assumptions- In 2022, significant assumption changes include use of an updated mortality projection scale and updated contingent survivor table.

Changes of assumptions- In 2021, amounts reported as change of assumptions resulted primarily the changing the mortality table to the Pub-2010 General Employee mortality tables, a decrease in the investment rate of return from 7.0% to 6.75% as well as a reduction in the payroll growth rate assumption.

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

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

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

Municipal Employees' Retirement Plan Defined Benefits Pension Plan
Schedule of City's Proportionate Share
For the current and prior nine 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
2023	48.6218%	\$ 136,319	\$ 75,124	181%	67.2%
2022	46.8475%	125,924	63,364	199%	66.6%
2021	47.0345%	85,063	60,944	140%	76.9%
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%

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
2023	\$ 12,681	\$ 12,681	-	\$ 75,124	16.9%
2022	10,455	10,455	-	63,364	16.5%
2021	9,751	9,751	-	60,944	16.0%
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%

Actuarial Valuation, Methods and Assumptions

Valuation date	January 1, 2023
Actuarial cost method	Entry Age Normal
Amortization method	Level percent, 30 year closed period beginning January 1, 2016
Remaining amortization periods	23 years
Asset valuation method	5 year smoothed FMV
Investment rate of return	6.75%
Projected salary increases	3.50%-9.5%
Inflation	2.50%
Cost-of-living adjustments	None
Mortality	Pub-2010 General Employee Mortality Table
	Generational mortality improvements with in accordance with the ultimate rates of Scale MP-2021 from the table's base year of 2010.

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 nine years

Annual Money-weighted Rate of Return, Net of Investment Expense

2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
8.8%	-8.8%	30.3%	3.4%	4.2%	8.7%	13.0%	1.7%	2.7%	16.9%

Oklahoma Firefighters Pension and Retirement System
Schedule of City's Proportionate Share
For the current and prior eight 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
2023	6/30/2022	14.4247%	\$ 188,637	\$ 54,450	346.44%	69.5%
2022	6/30/2021	16.8307%	110,841	52,779	210.01%	84.2%
2021	6/30/2020	16.5352%	203,699	53,550	380.39%	70.0%
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 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.

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
2023	\$ 8,736	\$ 8,736	\$ -	\$ 62,393	14%
2022	7,624	7,624	-	54,450	14%
2021	7,389	7,389	-	52,779	14%
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%

Oklahoma Police Pension and Retirement System
Schedule of City's Proportionate Share
For the current and prior eight 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)
2023	6/30/2022	18.1069%	\$ (14,520)	\$ 65,308	-22.23%	102.7%
2022	6/30/2021	19.3137%	(92,651)	60,123	-154.10%	117.1%
2021	6/30/2020	16.5258%	18,979	60,508	31.37%	95.8%
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%.

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
2023	\$ 9,206	\$ 9,206	\$ -	\$ 70,815	13%
2022	8,490	8,490	-	65,308	13%
2021	7,816	7,816	-	60,123	13%
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%

CITY OF TULSA
REQUIRED SUPPLEMENTARY INFORMATION (Unaudited)
June 30, 2023
(dollar amounts expressed in thousands)

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

For the current and prior seven years

	2023	2022	2021	2020	2019	2018	2017	2016
Total OPEB liability:								
Service cost	\$ 277	\$ 477	\$ 442	\$ 274	\$ 262	\$ 271	\$ 297	\$ 241
Interest	239	187	226	219	245	207	167	210
Changes of benefit terms	(797)	(1,914)	-	(18)	-	-	-	-
Differences between expected and actual experience	502	(155)	(530)	1,653	(378)	427	637	459
Changes of assumptions	(22)	(762)	293	351	154	(23)	(250)	409
Benefit payments, including refunds of member contributions	(306)	(336)	(493)	(333)	(464)	(202)	(1,234)	(796)
Net change in total OPEB liability	(107)	(2,503)	(62)	2,146	(181)	680	(383)	523
Total OPEB liability—beginning	5,714	8,217	8,279	6,133	6,314	5,634	6,017	5,494
Total OPEB liability—ending	<u>\$ 5,607</u>	<u>\$ 5,714</u>	<u>\$ 8,217</u>	<u>\$ 8,279</u>	<u>\$ 6,133</u>	<u>\$ 6,314</u>	<u>\$ 5,634</u>	<u>\$ 6,017</u>
Covered-Employee payroll	\$140,476	\$112,058	\$106,457	\$110,600	\$106,985	\$103,869	\$104,090	\$101,059
Total OPEB liability as a percent of covered employee payroll	4.0%	5.1%	7.7%	7.5%	5.7%	6.1%	5.4%	6.0%

No assets are accumulated in a trust to pay related benefits.

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.

2023	4.13%
2022	4.09%
2021	2.19%
2020	2.66%
2019	3.51%
2018	3.87%
2017	3.56%
2016	4.00%

Note:

Information for years prior to 2016 is unavailable

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

Year	Primary Government Proportion of Total OPEB Liability	Primary Government Proportionate Share of Total OPEB Liability	Primary Government Covered-Employee Payroll	Primary Government Proportionate Share of Total OPEB Liability as a Percentage of its Covered-Employee Payroll	Plan Fiduciary net Position as a Percentage of Total OPEB Liability
2023	57.0445%	\$ 3,199	\$ 80,134	4.0%	0.0%
2022	56.1837%	3,211	62,958	5.1%	0.0%
2021	55.9882%	4,600	59,603	7.7%	0.0%
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 Amounts Budgetary Basis	Variance
	Original	Final		
Revenues				
Taxes	\$ 253,636	\$ 253,636	\$ 268,900	\$ 15,264
Licenses and permits	10,803	10,803	12,175	1,372
Intergovernmental	9,678	9,678	10,701	1,023
Charges for service	47,736	47,736	44,795	(2,941)
Fines and forfeitures	6,841	6,841	6,884	43
Investment income	2,893	2,893	7,917	5,024
Payments from component unit	19,613	19,613	21,520	1,907
Miscellaneous	3,687	3,687	4,415	728
Total revenues	354,887	354,887	377,307	22,420
Expenditures				
Current				
General government	75,258	74,685	69,690	4,995
Public works and transportation	34,716	34,989	34,537	452
Social and economic development	14,268	14,808	13,523	1,285
Public safety and protection	204,115	210,881	205,668	5,213
Culture and recreation	24,327	25,074	24,327	747
Payments to component units	7,359	8,023	8,023	-
Total expenditures	360,043	368,460	355,768	12,692
Excess (deficiency) of revenues over expenditures	(5,156)	(13,573)	21,539	35,112
Other financing sources (uses)				
Transfers in	3,514	3,514	3,514	-
Transfers out	(25,120)	(25,348)	(25,348)	-
Total other financing uses	(21,606)	(21,834)	(21,834)	-
Net change in fund balances	(26,762)	(35,407)	(295)	35,112
Fund balances, beginning of year	79,212	79,212	79,212	-
Fund balances, end of year	\$ 52,450	\$ 43,805	78,917	\$ 35,112
Reconciliation to GAAP basis - basis differences:				
Reserve for encumbrances			9,808	
Reserve for advances			492	
Lease Receivables			4,099	
Other current assets			892	
Receivables			43,468	
Non-budgetary payables			(2,334)	
Unearned revenue			(6,999)	
Decrease in fair value of investments			(25,024)	
Portion of General Fund budgeted on a multi-year basis			13,627	
Fund balance - GAAP basis			\$ 116,946	

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, rather they have multi-year budgets.

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.

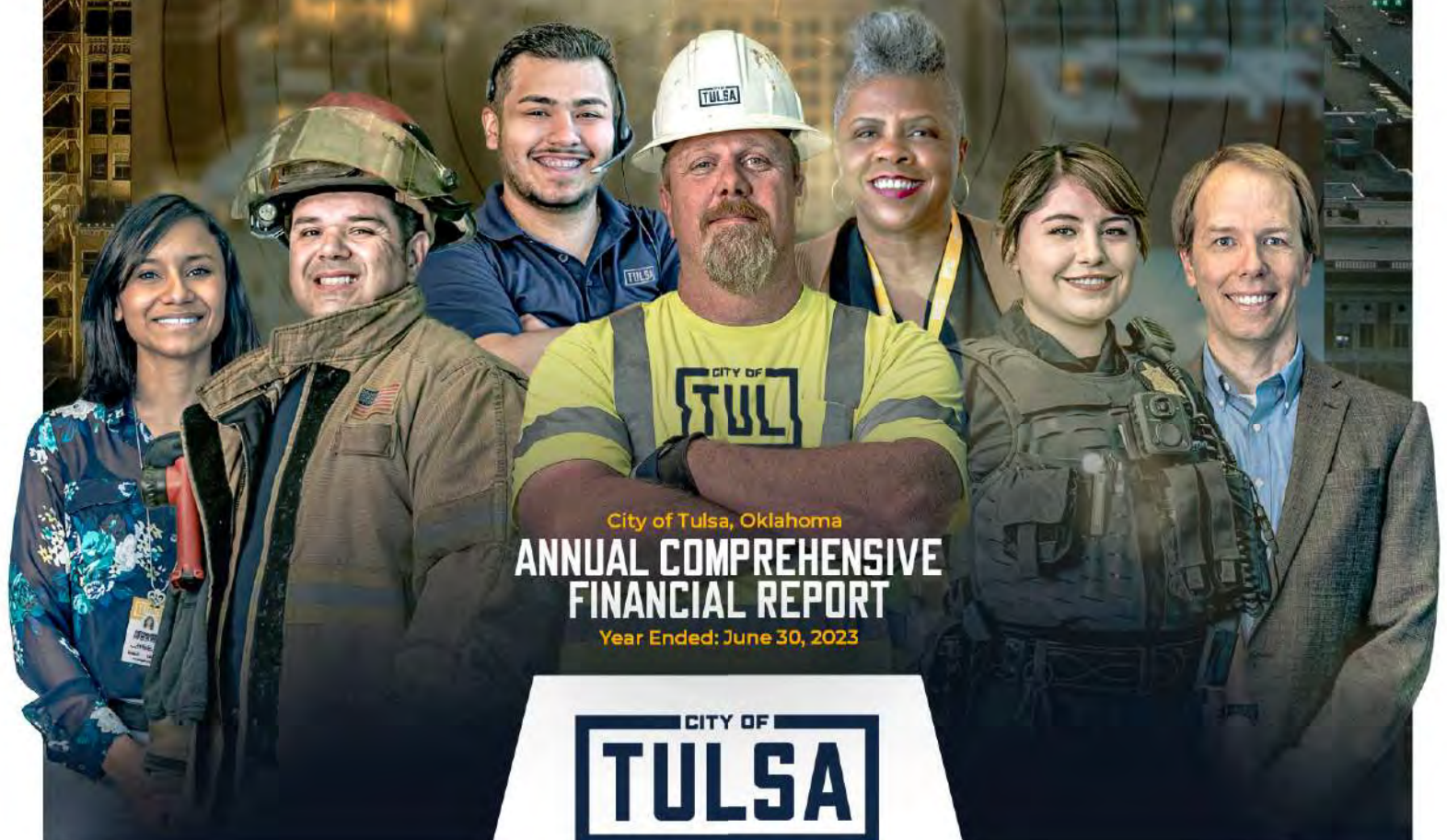
PUBLIC SERVICE

Section 2

NONMAJOR GOVERNMENTAL FUNDS

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City of Tulsa, Oklahoma

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended: June 30, 2023



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.
- **Opioid Settlements Fund**—Accounts for settlements received from opioid settlement lawsuits and will be used to remediate the impact of opioid abuse.
- **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 lodging tax revenue. The monies are used for economic development and to promote the convention center.
- **Economic Stabilization Sales Tax Fund**—Accounts for a limited-purpose sales tax levy for the purpose of providing revenue to create an economic stabilization reserve.
- **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 multiple small funds with varying restricted revenue expenditure types. The most significant funds are the Non-Federal Grant fund, the Technology Fee Assessment 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.

- **Special Capital Projects Fund**—A grouping of six small capital funds with varying restricted revenues for capital projects.
- **Public Ways Project Fund**—Accounts for franchise tax allocated for the Maintenance and repair of public ways.

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, 2023
(amounts expressed in thousands)

	Special Revenue				
	Federal		Medical	Vision	Vision
	and State	Opioid	Services	Public Safety	Transportation
	Grants	Settlements	Program	Sales Tax	Sales Tax
Assets					
Cash and cash equivalents	\$ 11,926	\$ 2,799	\$ 6,704	\$ 14,453	\$ 9,533
Receivables, net	7,349	9,363	760	3,468	1,149
Total assets	<u>\$ 19,275</u>	<u>\$ 12,162</u>	<u>\$ 7,464</u>	<u>\$ 17,921</u>	<u>\$ 10,682</u>
Liabilities					
Accounts payable and accrued liabilities	2,788	-	-	785	880
Unearned revenue	8,605	-	-	-	-
Total liabilities	<u>11,393</u>	<u>-</u>	<u>-</u>	<u>785</u>	<u>880</u>
Deferred inflows of resources					
Unavailable revenue - special assessments	-	-	-	-	-
Unavailable revenue - intergovernmental	5,073	-	-	-	-
Unavailable revenue- long-term receivables	-	9,363	-	-	-
Total unavailable revenue	<u>5,073</u>	<u>9,363</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficit):					
Restricted	3,809	2,664	-	17,136	9,802
Committed	-	-	7,464	-	-
Assigned	-	135	-	-	-
Unassigned (deficit)	(1,000)	-	-	-	-
Total fund balances (deficit)	<u>2,809</u>	<u>2,799</u>	<u>7,464</u>	<u>17,136</u>	<u>9,802</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 19,275</u>	<u>\$ 12,162</u>	<u>\$ 7,464</u>	<u>\$ 17,921</u>	<u>\$ 10,682</u>

Special Revenue				
		Economic	Tulsa Stadium	
E-911	Economic	Stabilization	Improvement	Special
Operating	Development	Sales Tax	District	Development
\$ 2,561	\$ 6,358	\$ 12,261	\$ 294	\$ 7,453
386	1,107	697	118	8,886
<u>\$ 2,947</u>	<u>\$ 7,465</u>	<u>\$ 12,958</u>	<u>\$ 412</u>	<u>\$ 16,339</u>

628	32	-	85	2,844
-	-	-	-	551
<u>628</u>	<u>32</u>	<u>-</u>	<u>85</u>	<u>3,395</u>

-	-	-	91	-
-	-	-	-	-
-	-	-	-	8,434
<u>-</u>	<u>-</u>	<u>-</u>	<u>91</u>	<u>8,434</u>

2,319	7,433	12,958	236	8,836
-	-	-	-	144
-	-	-	-	200
-	-	-	-	(4,670)
<u>2,319</u>	<u>7,433</u>	<u>12,958</u>	<u>236</u>	<u>4,510</u>
<u>\$ 2,947</u>	<u>\$ 7,465</u>	<u>\$ 12,958</u>	<u>\$ 412</u>	<u>\$ 16,339</u>

Capital Projects		Total
		Nonmajor
Special	Public Ways	Governmental
Capital Projects	Projects	Funds
\$ 15,180	\$ 6,034	\$ 95,556
39	-	33,322
<u>\$ 15,219</u>	<u>\$ 6,034</u>	<u>\$ 128,878</u>

201	434	8,677
-	-	9,156
<u>201</u>	<u>434</u>	<u>17,833</u>

-	-	91
-	-	5,073
-	-	17,797
<u>-</u>	<u>-</u>	<u>22,961</u>

15,043	5,600	85,836
-	-	7,608
-	-	335
(25)	-	(5,695)
<u>15,018</u>	<u>5,600</u>	<u>88,084</u>
<u>\$ 15,219</u>	<u>\$ 6,034</u>	<u>\$ 128,878</u>

CITY OF TULSA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year ended June 30, 2023
(amount expressed in thousands)

	Special Revenue				
	Federal and State Grants	Opioid Settlements	Medical Services Program	Vision Public Safety Sales Tax	Vision Transportation Sales Tax
Revenues:					
Sales tax	\$ -	\$ -	\$ -	\$ 24,564	\$ 8,031
Franchise tax	-	-	-	-	-
Lodging tax	-	-	-	-	-
Special assessment	-	-	-	-	-
Charges for services	-	2,799	6,501	-	-
Intergovernmental revenues	21,111	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Investment income (loss)	152	-	39	21	186
Program income from grants	2,498	-	-	-	-
Payments from component units	70	-	-	-	-
Miscellaneous	-	-	-	-	-
Total revenue	23,831	2,799	6,540	24,585	8,217
Expenditures:					
Current:					
General government	-	-	-	-	-
Public safety and protection	7,446	-	5,442	21,911	-
Public works and transportation	-	-	-	-	3,700
Culture and recreation	-	-	-	-	-
Social and economic development	15,274	-	-	-	-
Payments to component units	44	-	-	-	3,774
Capital outlay	1,643	-	-	122	-
Total expenditures	24,407	-	5,442	22,033	7,474
Excess (deficiency) of revenues over expenditures	(576)	2,799	1,098	2,552	743
Other financing sources (uses):					
Transfers in	2,303	-	-	-	-
Transfers out	(1,283)	-	(650)	(55)	(3,000)
Total other financing sources (uses)	1,020	-	(650)	(55)	(3,000)
Net change in fund balances	444	2,799	448	2,497	(2,257)
Fund balance (deficit), beginning of year	2,365	-	7,016	14,639	12,059
Fund balance (deficit), end of year	\$ 2,809	\$ 2,799	\$ 7,464	\$ 17,136	\$ 9,802

Special Revenue					Capital Projects		Total Nonmajor Governmental Funds
E-911 Operating	Economic Development	Economic Stabilization Sales Tax	Tulsa Stadium Improvement District	Special Development	Special Capital Projects	Public Ways Projects	
\$ -	\$ -	\$ 4,724	\$ -	\$ -	\$ -	\$ -	\$ 37,319
-	-	-	-	-	327	5,964	6,291
-	9,168	-	-	-	-	-	9,168
-	-	-	3,757	2,700	-	-	6,457
3,921	-	-	-	1,465	-	-	14,686
-	-	-	-	563	-	-	21,674
-	-	-	31	79	-	-	110
(84)	(239)	(126)	(6)	(2,349)	(170)	-	(2,576)
-	-	-	-	-	-	-	2,498
-	-	-	-	-	-	-	70
-	-	-	-	4,557	87	-	4,644
3,837	8,929	4,598	3,782	7,015	244	5,964	100,341
-	-	-	-	120	550	-	670
4,608	-	-	-	805	19	-	40,231
-	-	-	-	-	-	1,436	5,136
-	86	-	-	2,903	-	-	2,989
-	4,062	-	1,879	1,264	-	-	22,479
-	2,220	-	-	-	-	-	6,038
569	-	-	-	2,400	942	45	5,721
5,177	6,368	-	1,879	7,492	1,511	1,481	83,264
(1,340)	2,561	4,598	1,903	(477)	(1,267)	4,483	17,077
1,060	120	-	-	20	10,050	-	13,553
-	(1,518)	-	(2,383)	-	(156)	-	(9,045)
1,060	(1,398)	-	(2,383)	20	9,894	-	4,508
(280)	1,163	4,598	(480)	(457)	8,627	4,483	21,585
2,599	6,270	8,360	716	4,967	6,391	1,117	66,499
\$ 2,319	\$ 7,433	\$ 12,958	\$ 236	\$ 4,510	\$ 15,018	\$ 5,600	\$ 88,084

CITY OF TULSA
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL (BUDGETARY BASIS)
Budgetary Level of Control
Year ended June 30, 2023
(amounts expressed in thousands)

	Final Budget	Actual	Variance with Final Budget
Taxes			
Sales tax	\$ 178,065	\$ 187,519	\$ 9,454
Use tax	50,775	55,254	4,479
Franchise tax:			
Gas	4,200	6,041	1,841
Power and light	11,573	12,067	494
Cable television	3,602	3,339	(263)
Right of way fee	5,275	4,499	(776)
Lodging tax	146	181	35
	<u>253,636</u>	<u>268,900</u>	<u>15,264</u>
Licenses and Permits			
Charges for Services	1,349	1,943	594
Non-business licenses and permits:			
Building inspections- residential	1,207	1,104	(103)
Building inspections- commercial	2,633	3,043	410
Electrical inspections	788	870	82
Mechanical inspections	647	765	118
Other non-business	4,179	4,450	271
	<u>10,803</u>	<u>12,175</u>	<u>1,372</u>
Intergovernmental Revenue			
Grants and reimbursements	1,694	2,850	1,156
Shared revenue:			
State liquor tax	1,381	1,305	(76)
State gasoline tax	763	729	(34)
State tobacco tax	2,666	2,853	187
State vehicle license	3,174	2,964	(210)
	<u>\$ 9,678</u>	<u>\$ 10,701</u>	<u>\$ 1,023</u>

Continued

CITY OF TULSA
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL (BUDGETARY BASIS)
Budgetary Level of Control
Year ended June 30, 2023
(amounts expressed in thousands)

Continued

	Final Budget	Actual	Variance with Final Budget
Charges for Services			
Indirect costs:			
Airport	\$ 42	\$ 42	\$ -
TARE	771	571	(200)
Stormwater	1,064	1,064	-
Water	3,118	3,118	-
Sewer	2,835	2,835	-
Direct cost allocation reimbursement	36,163	33,585	(2,578)
Other general government	723	706	(17)
Public safety:			
Code enforcement	1,604	1,177	(427)
Other service fees	542	670	128
Cultural and recreational:			
Parks	355	545	190
Highways and streets:			
Paving cut repair charges	13	-	(13)
Parking meters and other	506	482	(24)
	<u>47,736</u>	<u>44,795</u>	<u>(2,941)</u>
Fines and Forfeitures			
Parking and traffic fines	6,841	6,884	43
Interest on Investments	2,893	7,917	5,024
Payments from component units			
TMUA	17,790	19,468	1,678
TARE	1,823	2,052	229
	<u>19,613</u>	<u>21,520</u>	<u>1,907</u>
Miscellaneous			
Total revenues	<u>\$ 354,887</u>	<u>\$ 377,307</u>	<u>\$ 22,420</u>

CITY OF TULSA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
Budgetary Level of Control
Year ended June 30, 2023
(amounts expressed in thousands)

	Appropriations			Actual			Variance with
	Original		Final				Final
	Budget	Revisions	Budget	Expenditures	Encumbrances	Total	Budget
General government							
Departments:							
Mayor:							
Personnel services	\$ 1,434	\$ 25	\$ 1,459	\$ 1,458	\$ -	\$ 1,458	\$ 1
Materials & supplies	9	-	9	3	-	3	6
Other services & charges	104	(28)	76	68	2	70	6
City Auditor:							
Personnel services	1,286	-	1,286	1,066	-	1,066	220
Materials & supplies	20	-	20	1	-	1	19
Other services & charges	221	-	221	119	2	121	100
City Council:							
Personnel services	1,478	(1)	1,477	1,337	10	1,347	130
Materials & supplies	15	-	15	11	-	11	4
Other services & charges	153	(36)	117	90	5	95	22
Finance:							
Personnel services	12,916	(23)	12,893	12,031	4	12,035	858
Materials & supplies	403	10	413	143	11	154	259
Other services & charges	8,539	(546)	7,993	6,256	1,020	7,276	717
Legal:							
Personnel services	4,409	(95)	4,314	4,159	26	4,185	129
Materials & supplies	109	21	130	112	16	128	2
Other services & charges	459	59	518	321	141	462	56
Human Resources:							
Personnel services	3,322	163	3,485	3,470	-	3,470	15
Materials & supplies	88	-	88	45	-	45	43
Other services & charges	1,381	(179)	1,202	858	205	1,063	139
Information Technology:							
Personnel services	12,746	-	12,746	11,907	309	12,216	530
Materials & supplies	332	-	332	263	1	264	68
Other services & charges	4,792	60	4,852	3,578	1,175	4,753	99
Communications:							
Personnel services	765	19	784	784	-	784	-
Materials & supplies	14	(2)	12	10	-	10	2
Other services & charges	94	(17)	77	74	-	74	3
Customer Care:							
Personnel services	3,351	(14)	3,337	3,033	1	3,034	303
Materials & supplies	65	-	65	65	-	65	-
Other services & charges	282	(13)	269	128	6	134	135
Asset Management:							
Personnel services	3,177	291	3,468	3,463	5	3,468	-
Materials & supplies	604	(5)	599	563	23	586	13
Other services & charges	5,770	(197)	5,573	4,762	419	5,181	392
General Government:							
Other services & charges	3,850	(65)	3,785	2,641	420	3,061	724
Indian Nations Council of Government:							
Other services & charges	3,070	-	3,070	3,070	-	3,070	-
	\$ 75,258	\$ (573)	\$ 74,685	\$ 65,889	\$ 3,801	\$ 69,690	\$ 4,995

CITY OF TULSA

GENERAL FUND

SCHEDULE OF EXPENDITURES AND ENCUMBRANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)

Budgetary Level of Control

Year ended June 30, 2023

(amounts expressed in thousands)

Continued

	Appropriations			Actual			Variance with
	Original	Revisions	Final	Expenditures	Encumbrances	Total	Final Budget
	Budget		Budget				
Public Works and Transportation							
Departments:							
Streets and Stormwater:							
Personnel services	\$ 9,322	\$ 25	\$ 9,347	\$ 9,295	\$ 51	\$ 9,346	\$ 1
Materials & supplies	1,452	(102)	1,350	874	476	1,350	-
Other services & charges	7,447	358	7,805	7,503	300	7,803	2
Engineering:							
Personnel services	14,726	-	14,726	14,505	-	14,505	221
Materials & supplies	442	(4)	438	355	13	368	70
Other services & charges	1,327	(4)	1,323	981	184	1,165	158
	34,716	273	34,989	33,513	1,024	34,537	452
Social and Economic Development							
Mayor's Office of Economic Development:							
Personnel services	-	90	90	37	-	37	53
Materials & supplies	-	5	5	-	-	-	5
Other services & charges	-	5	5	-	-	-	5
Working in Neighborhoods:							
Personnel services	4,906	-	4,906	4,694	-	4,694	212
Materials & supplies	600	(7)	593	411	8	419	174
Other services & charges	1,890	(97)	1,793	1,568	29	1,597	196
Development Services:							
Personnel services	6,102	-	6,102	5,851	8	5,859	243
Materials & supplies	36	(1)	35	25	-	25	10
Other services & charges	394	(15)	379	230	23	253	126
Planning:							
Materials & supplies	140	25	165	125	15	140	25
Other services & charges	200	535	735	499	-	499	236
	\$ 14,268	\$ 540	\$ 14,808	\$ 13,440	\$ 83	\$ 13,523	\$ 1,285
Public Safety and Protection							
Departments:							
Municipal Court:							
Personnel services	2,705	-	2,705	2,633	-	2,633	72
Materials & supplies	24	-	24	24	-	24	-
Other services & charges	224	(10)	214	184	-	184	30
Police:							
Personnel services	101,613	(171)	101,442	98,148	64	98,212	3,230
Materials & supplies	4,006	(3)	4,003	1,957	1,585	3,542	461
Other services & charges	14,800	(165)	14,635	12,237	1,319	13,556	1,079
Fire:							
Personnel services	73,630	6,240	79,870	79,682	-	79,682	188
Materials & supplies	1,618	-	1,618	1,242	376	1,618	-
Other services & charges	5,304	875	6,179	6,013	13	6,026	153
Agencies:							
Tulsa Area Emergency Management Authority:							
Other services & charges	191	-	191	191	-	191	-
	\$ 204,115	\$ 6,766	\$ 210,881	\$ 202,311	\$ 3,357	\$ 205,668	\$ 5,213

CITY OF TULSA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
Budgetary Level of Control
Year ended June 30, 2023
(amounts expressed in thousands)

Continued

	Appropriations			Actual			Variance with Final Budget
	Original Budget	Revisions	Final Budget	Expenditures	Encumbrances	Total	
Culture and Recreation							
Departments:							
Managed entities:							
Other services & charges	\$ 10,497	\$ -	\$ 10,497	\$ 10,289	\$ 108	\$ 10,397	\$ 100
Parks:							
Personnel services	7,833	(10)	7,823	7,138	40	7,178	645
Materials & supplies	1,042	68	1,110	1,006	104	1,110	-
Other services & charges	4,243	689	4,932	3,644	1,286	4,930	2
Agencies:							
River Parks:							
Other services & charges	712	-	712	712	-	712	-
	<u>24,327</u>	<u>747</u>	<u>25,074</u>	<u>22,789</u>	<u>1,538</u>	<u>24,327</u>	<u>747</u>
Total expenditures and encumbrances	328,357	7,006	335,363	315,153	8,265	323,418	11,945
Operating transfers to:							
One Technology Center Fund	4,384	-	4,384	4,384	-	4,384	-
E911 Operating Fund	1,060	-	1,060	1,060	-	1,060	-
Special Development Fund	20	-	20	20	-	20	-
Golf Course Fund	150	-	150	150	-	150	-
Special Capital Projects Fund	7,050	-	7,050	7,050	-	7,050	-
Economic Development Fund	120	-	120	120	-	120	-
Sales Tax Fund	12,192	-	12,192	12,192	-	12,192	-
Pandemic Relief Fund	144	-	144	144	-	144	-
Federal and State Grants	-	228	228	228	-	228	-
Total transfers	<u>25,120</u>	<u>228</u>	<u>25,348</u>	<u>25,348</u>	<u>-</u>	<u>25,348</u>	<u>-</u>
Payments to component units:							
TAE0	728	(64)	664	628	36	664	-
MTTA	7,359	-	7,359	7,359	-	7,359	-
Total expenditures, encumbrances, and transfers	<u>\$ 361,564</u>	<u>\$ 7,170</u>	<u>\$ 368,734</u>	<u>\$ 348,488</u>	<u>\$ 8,265</u>	<u>\$ 356,789</u>	<u>\$ 11,945</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, 2023
(amounts expressed in thousands)

	Final Budget	Actual	Variance
Revenues			
Intergovernmental Revenue	\$ 20	\$ -	\$ (20)
E-911 fees	3,969	3,874	(95)
Investment income	19	47	28
Miscellaneous	-	-	-
Total revenues	<u>4,008</u>	<u>3,921</u>	<u>(87)</u>
Expenditures			
Public Safety and Protection:			
Current:			
Personnel services	2,518	2,518	-
Materials and supplies	61	56	5
Other services and charges	1,949	1,924	25
Capital outlay	1,184	1,107	77
Total expenditures	<u>5,712</u>	<u>5,605</u>	<u>107</u>
Excess (deficiency) of revenues over expenditures and encumbrances	<u>(1,704)</u>	<u>(1,684)</u>	<u>20</u>
Other financing sources (uses):			
Transfers in	1,060	1,060	-
Transfers out	(319)	(264)	55
Total other financing sources (uses)	<u>741</u>	<u>796</u>	<u>55</u>
Net change in fund balances	(963)	(888)	75
Fund balances, beginning of year (budgetary basis)	<u>2,284</u>	<u>2,284</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ 1,321</u>	<u>\$ 1,396</u>	<u>\$ 75</u>

CITY OF TULSA
ECONOMIC STABILIZATION SALES TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
(Budgetary Basis)
Year ended June 30, 2023
(amounts expressed in thousands)

	Final Budget	Actual	Variance
Revenues			
Sales tax	\$ 4,452	\$ 4,704	\$ 252
Investment income	-	157	157
Total revenues	<u>4,452</u>	<u>4,861</u>	<u>409</u>
Expenditures			
General government:			
Personnel services	-	-	-
Material and Supplies	-	-	-
Other Services	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and encumbrances	<u>4,452</u>	<u>4,861</u>	<u>409</u>
Other financing sources (uses):			
Transfers in	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	4,452	4,861	409
Fund balances, beginning of year (budgetary basis)	8,062	8,062	-
Fund balances, end of year (budgetary basis)	<u>\$ 12,514</u>	<u>\$ 12,923</u>	<u>\$ 409</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, 2023
(amounts expressed in thousands)

	Final Budget	Actual	Variance
Revenues			
Lodging taxes	\$ 7,174	\$ 8,869	\$ 1,695
Investment income	14	84	70
Total revenues	<u>7,188</u>	<u>8,953</u>	<u>1,765</u>
Expenditures			
Current:			
Cultural Development and Recreation:			
Personnel services	235	219	16
Materials and supplies	4	1	3
Other services and charges	3,975	3,696	279
Social and Economic Development:			
Other services and charges	450	429	21
Payments to component units:	<u>1,901</u>	<u>1,901</u>	<u>-</u>
Total expenditures and encumbrances	<u>6,565</u>	<u>6,246</u>	<u>319</u>
Excess of revenues over expenditures and encumbrances	<u>623</u>	<u>2,707</u>	<u>2,084</u>
Other financing sources (uses):			
Transfers in	120	120	-
Transfers out	<u>(1,518)</u>	<u>(1,518)</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,398)</u>	<u>(1,398)</u>	<u>-</u>
Net change in fund balances	<u>(775)</u>	<u>1,309</u>	<u>2,084</u>
Fund balances, beginning of year (budgetary basis)	<u>5,341</u>	<u>5,341</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ 4,566</u>	<u>\$ 6,650</u>	<u>\$ 2,084</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, 2023
(amounts expressed in thousands)

	Final Budget	Actual	Variance
Revenues			
Special assessment tax	\$ 3,904	\$ 3,751	\$ (153)
Fines and forfeitures	21	31	10
Investment income	8	9	1
Total revenues	<u>3,933</u>	<u>3,791</u>	<u>(142)</u>
Expenditures			
Current:			
Social and economic development:			
Other services and charges	<u>1,947</u>	<u>1,857</u>	<u>90</u>
Total expenditures	<u>1,947</u>	<u>1,857</u>	<u>90</u>
Excess of revenues over expenditures and encumbrances	<u>1,986</u>	<u>1,934</u>	<u>(52)</u>
Other financing uses:			
Transfers out	<u>(2,460)</u>	<u>(2,384)</u>	<u>76</u>
Net change in fund balances	(474)	(450)	24
Fund balances, beginning of year (budgetary basis)	<u>696</u>	<u>696</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ 222</u>	<u>\$ 246</u>	<u>\$ 24</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, 2023
(amounts expressed in thousands)

	Final Budget	Actual	Variance
Revenues			
Medical services fee	\$ 6,660	\$ 6,497	\$ (163)
Investment income	46	107	61
Total revenues	<u>6,706</u>	<u>6,604</u>	<u>(102)</u>
Expenditures			
Public Safety and Protection:			
Current:			
Personnel services	67	62	5
Materials and supplies	230	230	-
Other services and charges	120	120	-
Total expenditures and encumbrances	<u>417</u>	<u>412</u>	<u>5</u>
Excess (deficiency) of revenues over expenditures and encumbrances	<u>6,289</u>	<u>6,192</u>	<u>(97)</u>
Other financing uses:			
Transfers out	(7,673)	(5,682)	1,991
Total other financing sources (uses)	<u>(7,673)</u>	<u>(5,682)</u>	<u>1,991</u>
Net change in fund balances	(1,384)	510	1,894
Fund balances, beginning of year (budgetary basis)	6,556	6,556	-
Fund balances, end of year (budgetary basis)	<u>\$ 5,172</u>	<u>\$ 7,066</u>	<u>\$ 1,894</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, 2023
(amounts expressed in thousands)

	Final Budget	Actual	Variance
Revenues			
Sales tax	\$ 23,148	\$ 24,461	\$ 1,313
Investment income	106	241	135
Total revenues	<u>23,254</u>	<u>24,702</u>	<u>1,448</u>
Expenditures			
Public Safety and Protection:			
Current:			
Personnel services	21,462	21,055	407
Materials and supplies	658	644	14
Other services and charges	814	803	11
Capital outlay	181	161	20
Total expenditures and encumbrances	<u>23,115</u>	<u>22,663</u>	<u>452</u>
Excess (deficiency) of revenues over expenditures and encumbrances	<u>139</u>	<u>2,039</u>	<u>1,900</u>
Other financing uses:			
Transfers out	(55)	(55)	-
Total other financing uses	<u>(55)</u>	<u>(55)</u>	<u>-</u>
Net change in fund balances	84	1,984	1,900
Fund balances, beginning of year (budgetary basis)	11,844	11,844	-
Fund balances, end of year (budgetary basis)	<u>\$ 11,928</u>	<u>\$ 13,828</u>	<u>\$ 1,900</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, 2023
(amounts expressed in thousands)

	Final Budget	Actual	Variance
Revenues			
Sales tax	\$ 7,568	\$ 7,997	\$ 429
Investment income	98	179	81
Total revenues	<u>7,666</u>	<u>8,176</u>	<u>510</u>
Expenditures			
Public Works and Transportation:			
Current:			
Personnel services	2,095	2,068	27
Materials and supplies	1,101	1,071	30
Other services and charges	1,038	1,035	3
Payments to component units	3,884	3,783	101
Total expenditures and encumbrances	<u>8,118</u>	<u>7,957</u>	<u>161</u>
Excess (deficiency) of revenues over expenditures and encumbrances	<u>(452)</u>	<u>219</u>	<u>671</u>
Other financing uses:			
Transfers out	(3,000)	(3,000)	-
Total other financing uses	<u>(3,000)</u>	<u>(3,000)</u>	<u>-</u>
Net change in fund balances	(3,452)	(2,781)	671
Fund balances, beginning of year (budgetary basis)	11,880	11,880	-
Fund balances, end of year (budgetary basis)	<u>\$ 8,428</u>	<u>\$ 9,099</u>	<u>\$ 671</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, 2023
(amounts expressed in thousands)

	Final Budget	Actual	Variance
Revenues			
System development fees	\$ 651	\$ 711	\$ 60
Total revenues	<u>651</u>	<u>711</u>	<u>60</u>
Expenditures			
Social and Economic Development:			
Current:			
Other services and charges	<u>604</u>	<u>583</u>	<u>21</u>
Total expenditures and encumbrances	<u>604</u>	<u>583</u>	<u>21</u>
Excess (deficiency) of revenues over expenditures and encumbrances	<u>47</u>	<u>128</u>	<u>81</u>
Net change in fund balances	47	128	81
Fund balances, beginning of year (budgetary basis)	<u>2,426</u>	<u>2,426</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ 2,473</u>	<u>\$ 2,554</u>	<u>\$ 81</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, 2023
(amounts expressed in thousands)

	Final Budget	Actual	Variance
Revenues			
Fines and forfeitures	\$ 67	\$ 75	\$ 8
Miscellaneous	-	3	3
Total revenues	<u>67</u>	<u>78</u>	<u>11</u>
Expenditures			
Public Safety and Protection:			
Current:			
Other services and charges	<u>61</u>	<u>55</u>	<u>6</u>
Total expenditures and encumbrances	<u>61</u>	<u>55</u>	<u>6</u>
Excess (deficiency) of revenues over expenditures and encumbrances	<u>6</u>	<u>23</u>	<u>17</u>
Net change in fund balances	6	23	17
Fund balances, beginning of year (budgetary basis)	43	43	-
Fund balances, end of year (budgetary basis)	<u>\$ 49</u>	<u>\$ 66</u>	<u>\$ 17</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, 2023
(amounts expressed in thousands)

	Final Budget	Actual	Variance
Revenues			
Fines and forfeitures	\$ 2	\$ 4	\$ 2
Total revenues	<u>2</u>	<u>4</u>	<u>2</u>
Expenditures			
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>2</u>	<u>4</u>	<u>2</u>
Net change in fund balances	2	4	2
Fund balances, beginning of year (budgetary basis)	<u>10</u>	<u>10</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ 12</u>	<u>\$ 14</u>	<u>\$ 2</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, 2023
 (amounts expressed in thousands)

	Final Budget	Actual	Variance
Revenues			
Technology fee	\$ 683	\$ 754	\$ 71
Total revenues	<u>683</u>	<u>754</u>	<u>71</u>
Expenditures			
Public safety and protection:			
Current:			
Personnel services	364	353	11
Other services and charges	<u>845</u>	<u>-</u>	<u>845</u>
Total expenditures and encumbrances	<u>1,209</u>	<u>353</u>	<u>856</u>
Excess of revenues over expenditures and encumbrances	<u>(526)</u>	<u>401</u>	<u>927</u>
Net change in fund balances	(526)	401	927
Fund balances, beginning of year (budgetary basis)	<u>2,158</u>	<u>2,158</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ 1,632</u>	<u>\$ 2,559</u>	<u>\$ 927</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, 2023
(amounts expressed in thousands)

	Final Budget	Actual	Variance
Revenues			
Investment income	\$ -	\$ -	\$ -
Total revenues	-	-	-
Expenditures			
Social and Economic Development:			
Current:			
Other services and charges	26	24	2
Total expenditures and encumbrances	26	24	2
Excess (deficiency) of revenues over expenditures and encumbrances	(26)	(24)	2
Net change in fund balances	(26)	(24)	2
Fund balances, beginning of year (budgetary basis)	26	26	-
Fund balances, end of year (budgetary basis)	\$ -	\$ 2	\$ 2

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, 2023
 (amounts expressed in thousands)

	Final Budget	Actual	Variance
Revenues			
Special assessment	\$ 2,002	\$ 2,833	\$ 831
Investment income	3	4	1
Total revenues	<u>2,005</u>	<u>2,837</u>	<u>832</u>
Expenditures			
Social and Economic Development:			
Current:			
Other services and charges	<u>3,431</u>	<u>3,310</u>	<u>121</u>
Total expenditures and encumbrances	<u>3,431</u>	<u>3,310</u>	<u>121</u>
Excess of revenues over expenditures and encumbrances	<u>(1,426)</u>	<u>(473)</u>	<u>953</u>
Net change in fund balances	(1,426)	(473)	953
Fund balances, beginning of year (budgetary basis)	<u>473</u>	<u>473</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ (953)</u>	<u>\$ -</u>	<u>\$ 953</u>

CITY OF TULSA
KENDALL WHITTIER 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, 2023
(amounts expressed in thousands)

	Final Budget	Actual	Variance
Revenues			
Special assessment	\$ 48	\$ 44	\$ (4)
Investment income	-	1	\$ 1
Total revenues	<u>48</u>	<u>45</u>	<u>(3)</u>
Expenditures			
Social and Economic Development:			
Current:			
Other services and charges	<u>48</u>	<u>45</u>	<u>3</u>
Total expenditures and encumbrances	<u>48</u>	<u>45</u>	<u>3</u>
Excess (deficiency) of revenues over expenditures and encumbrances	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-
Fund balances, beginning of year (budgetary basis)	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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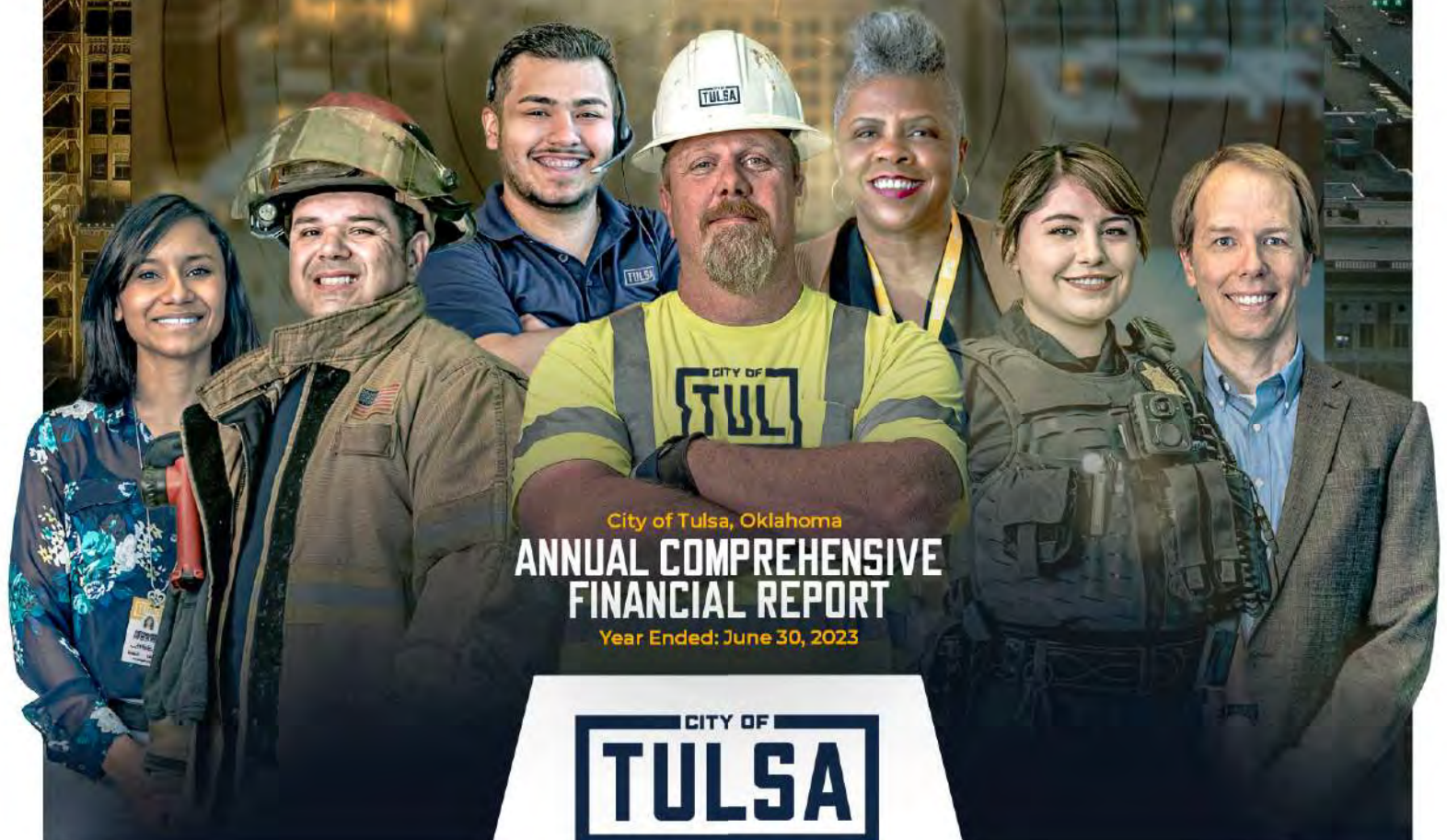
PUBLIC SERVICE

Section 2

NONMAJOR ENTERPRISE FUNDS

USA

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City of Tulsa, Oklahoma

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

Year Ended: June 30, 2023





Nonmajor Enterprise Funds—are used to account for the activities that receive fee revenue for services provided.

- Air force Plant 3 Fund—Accounts for the operations of certain leased assets.
- Golf Course Fund—Accounts for golf course operations.

CITY OF TULSA
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
June 30, 2023
(amounts expressed in thousands)

	Air Force Plant 3	Golf Courses	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 2,358	\$ 711	\$ 3,069
Receivables, net	21	1	22
Leases receivable	191	-	191
Prepaid expenses	-	68	68
Inventories, net	-	73	73
Total current assets	<u>2,570</u>	<u>853</u>	<u>3,423</u>
Noncurrent assets:			
Lease receivable	1,942	-	1,942
Nondepreciable capital assets	19,584	2,760	22,344
Depreciable capital assets, net	20,850	4,472	25,322
Total noncurrent assets	<u>42,376</u>	<u>7,232</u>	<u>49,608</u>
Total assets	<u>44,946</u>	<u>8,085</u>	<u>53,031</u>
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	-	613	613
Current portion of long-term liabilities	-	136	136
Total current liabilities	<u>-</u>	<u>749</u>	<u>749</u>
Noncurrent liabilities:			
Long-term liabilities	-	240	240
Total noncurrent liabilities	<u>-</u>	<u>240</u>	<u>240</u>
Total liabilities	<u>-</u>	<u>989</u>	<u>989</u>
DEFERRED INFLOW OF RESOURCES			
Lease related	2,139	-	2,139
Total deferred outflow of resources	<u>2,139</u>	<u>-</u>	<u>2,139</u>
NET POSITION			
Net investment in capital assets	40,434	6,844	47,278
Unrestricted	2,373	252	2,625
Total net position	<u>\$ 42,807</u>	<u>\$ 7,096</u>	<u>\$ 49,903</u>

CITY OF TULSA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
Year ended June 30, 2023
(amounts expressed in thousands)

	Air Force Plant 3	Golf Courses	Total
Operating revenues			
Charges for services	\$ 125	\$ 3,385	\$ 3,510
Total operating revenues	<u>125</u>	<u>3,385</u>	<u>3,510</u>
Operating expenses			
Services and charges	11	3,680	3,691
Depreciation and amortization	1,194	538	1,732
Total operating expenses	<u>1,205</u>	<u>4,218</u>	<u>5,423</u>
Operating income (loss)	<u>(1,080)</u>	<u>(833)</u>	<u>(1,913)</u>
Nonoperating revenues (expenses)			
Investment income (loss)	(56)	(8)	(64)
Interest expense	-	(8)	(8)
Total nonoperating revenues (expenses)	<u>(56)</u>	<u>(16)</u>	<u>(72)</u>
Loss before capital contributions and transfers	(1,136)	(849)	(1,985)
Capital contributions	7,719	-	7,719
Transfers in	-	273	273
Total contributions and transfers	<u>7,719</u>	<u>273</u>	<u>7,992</u>
Change in net position	6,583	(576)	6,007
Net position - beginning of year	36,224	7,672	43,896
Net position - end of year	<u>\$ 42,807</u>	<u>\$ 7,096</u>	<u>\$ 49,903</u>

CITY OF TULSA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
Year ended June 30, 2023
(amounts expressed in thousands)

	Air Force Plant 3	Golf Courses	Total
Cash flows from operating activities:			
Receipts from customers	\$ 123	\$ 3,389	\$ 3,512
Payments to suppliers	(12)	(3,531)	(3,543)
Net cash provided (used) by operating activities	111	(142)	(31)
Cash flows from noncapital financing activities:			
Transfers from other funds	-	150	150
Net cash provided by noncapital financing activities	-	150	150
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	-	(132)	(132)
Principal paid on debt	-	(133)	(133)
Interest paid on debt	-	(8)	(8)
Transfers from other funds for capital additions	-	123	123
Net cash provided (used) by capital and related financing	-	(150)	(150)
Cash flows from investing activities:			
Interest received (loss)	(59)	(8)	(67)
Net cash provided (used) by investing activities	(59)	(8)	(67)
Net increase (decrease) in cash and cash equivalents	52	(150)	(98)
Cash and cash equivalents, beginning	2,306	861	3,167
Cash and cash equivalents, end of year	\$ 2,358	\$ 711	\$ 3,069
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income (loss)	(1,080)	(833)	(1,913)
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	1,194	538	1,732
(Increase) decrease in accounts receivable and other assets	181	(42)	139
Increase (decrease) in accounts payable and other liabilities	-	195	195
(Decrease) in deferred inflows of resources	(184)	-	(184)
Net cash provided (used) by operating activities	\$ 111	\$ (142)	\$ (31)
NON-CASH TRANSACTIONS:			
Capital contributions of capital assets	\$ 7,719	\$ -	\$ 7,719
Capital acquisitions in accounts payable and retainage payable	\$ -	\$ 13	\$ 13

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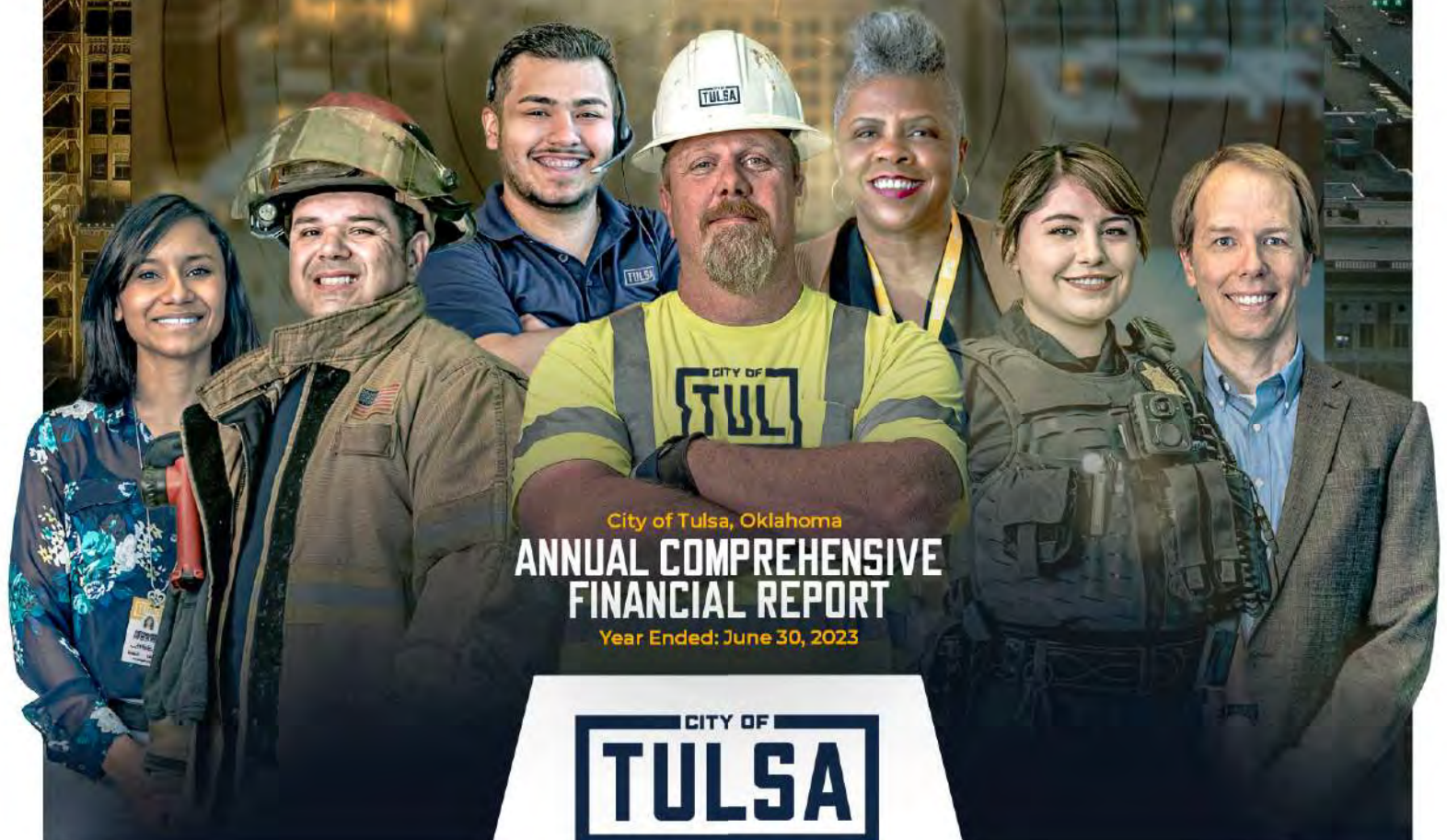
PUBLIC SERVICE

Section 2

INTERNAL SERVICE FUNDS

USA

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City of Tulsa, Oklahoma

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended: June 30, 2023





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 software, 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, 2023
(amounts expressed in thousands)

	Employee Insurance	Workers' Compensation	Tulsa Public Facilities Authority	Office Services	Equipment Management	Total
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 1,738	\$ 19,326	\$ 6	\$ -	\$ 2,625	\$ 23,695
Cash and cash equivalents - restricted	-	-	168	-	-	168
Receivables, net	14	299	1	-	63	377
Prepaid expenses	-	-	-	134	-	134
Inventories, net	-	-	-	-	1,431	1,431
Advances to component unit	-	-	611	-	-	611
Total current assets	1,752	19,625	786	134	4,119	26,416
Noncurrent assets:						
Advances to component unit	-	-	2,400	-	-	2,400
Nondepreciable capital assets	-	-	-	-	181	181
Depreciable capital assets, net	-	-	-	-	7,281	7,281
Total noncurrent assets	-	-	2,400	-	7,462	9,862
Total assets	1,752	19,625	3,186	134	11,581	36,278
DEFERRED OUTFLOW OF RESOURCES						
Pension related items	44	262	-	-	1,167	1,473
OPEB related items	-	9	-	-	56	65
Total deferred outflow of resources	44	271	-	-	1,223	1,538
LIABILITIES						
Current liabilities:						
Accounts payable and accrued liabilities	372	478	11	108	876	1,845
Current portion of long-term liabilities	4	27	610	-	491	1,132
Workers compensation claims	-	7,027	-	-	-	7,027
Total current liabilities	376	7,532	621	108	1,367	10,004
Noncurrent liabilities:						
Long-term liabilities	200	679	2,565	-	8,421	11,865
Workers compensation claims	-	9,801	-	-	-	9,801
Advances from other funds	-	-	-	166	-	166
Total noncurrent liabilities	200	10,480	2,565	166	8,421	21,832
Total liabilities	576	18,012	3,186	274	9,788	31,836
DEFERRED INFLOW OF RESOURCES						
Pension related items	16	21	-	-	276	313
OPEB related items	-	3	-	-	53	56
Total deferred inflow of resources	16	24	-	-	329	369
NET POSITION (DEFICIT)						
Investment in capital assets	-	-	-	-	7,462	7,462
Unrestricted	1,204	1,860	-	(140)	(4,775)	(1,851)
Total net position (deficit)	\$ 1,204	\$ 1,860	\$ -	\$ (140)	\$ 2,687	\$ 5,611

CITY OF TULSA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
Year ended June 30, 2023
(amounts expressed in thousands)

	Employee Insurance	Workers' Compensation	Tulsa Public Facilities Authority	Office Services	Equipment Management	Total
Operating revenues						
Charges for services	\$ -	\$ -	\$ -	\$ 3,776	\$ 21,810	\$ 25,586
Insurance premiums	19,787	-	-	-	-	19,787
Workers compensation premiums	-	5,730	-	-	-	5,730
Advance investment income	-	-	18	-	-	18
Other	-	-	-	-	43	43
Total operating revenues	19,787	5,730	18	3,776	21,853	51,164
Operating expenses						
Salaries and wages	158	652	-	-	7,099	7,909
Materials and supplies	-	-	-	329	11,508	11,837
Services and charges	690	-	28	3,494	2,704	6,916
Workers compensation claims	-	5,175	-	-	-	5,175
Insurance claims and premiums	18,899	-	-	-	-	18,899
Depreciation and amortization	-	-	-	-	451	451
Total operating expenses	19,747	5,827	28	3,823	21,762	51,187
Operating income (loss)	40	(97)	(10)	(47)	91	(23)
Nonoperating revenues (expenses)						
Investment income (loss)	(51)	104	10	(6)	(149)	(92)
Loss on sale of equipment	-	-	-	-	(2)	(2)
Intergovernmental revenue	-	236	-	-	-	236
Total nonoperating revenues (expenses)	(51)	340	10	(6)	(151)	142
Income (loss) before transfers	(11)	243	-	(53)	(60)	119
Transfers in	-	-	-	-	599	599
Total transfers in	-	-	-	-	599	599
Change in net position	(11)	243	-	(53)	539	718
Net position (deficit) - beginning of year	1,215	1,617	-	(87)	2,148	4,893
Net position (deficit) - end of year	\$ 1,204	\$ 1,860	\$ -	\$ (140)	\$ 2,687	\$ 5,611

CITY OF TULSA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
Year ended June 30, 2023
(amounts expressed in thousands)

	Employee Insurance	Workers' Compensation	Tulsa Public Facilities Authority	Office Services	Equipment Management	Total
Cash flows from operating activities:						
Receipts from customers	\$ 10,619	\$ -	\$ -	\$ 617	\$ 7,058	\$ 18,294
Receipts from interfund charges for services	9,187	5,730	-	3,159	14,790	32,866
Payments to suppliers and service providers	(19,368)	(4,298)	(1)	(3,951)	(14,581)	(42,199)
Payments to employees for salaries and benefits	(141)	(488)	-	-	(6,378)	(7,007)
Payments from related entity	-	-	654	-	-	654
Net cash provided (used) by operating activities	297	944	653	(175)	889	2,608
Cash flows from noncapital financing activities:						
Principal paid on revenue bonds	-	-	(600)	-	-	(600)
Interest paid on revenue bonds	-	-	(51)	-	-	(51)
Transfers from other funds	-	-	-	20	72	92
Proceeds from insurance reimbursements	-	250	-	-	-	250
Net cash provided (used) by noncapital financing activities	-	250	(651)	20	72	(309)
Cash flows from capital and related financing activities:						
Acquisition and construction of capital assets	-	-	-	-	(527)	(527)
Proceeds from disposition of capital assets	-	-	-	-	1	1
Transfers from other funds for capital additions	-	-	-	-	527	527
Net cash provided by capital and related financing activities	-	-	-	-	1	1
Cash flows from investing activities:						
Interest received (loss)	(55)	77	9	(7)	(152)	(128)
Net cash provided (used) by investing activities	(55)	77	9	(7)	(152)	(128)
Net increase (decrease) in cash and cash equivalents	242	1,271	11	(162)	810	2,172
Cash and cash equivalents, beginning of year	1,496	18,055	163	162	1,815	21,691
Cash and cash equivalents, end of year	\$ 1,738	\$ 19,326	\$ 174	\$ -	\$ 2,625	\$ 23,863
Reconciliation of operating income (loss) to cash provided (used) by operating activities:						
Operating income (loss)	40	(97)	(10)	(47)	91	(23)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities						
Depreciation and amortization	-	-	-	-	451	451
(Increase) decrease in accounts receivable and other assets	18	-	-	-	(37)	(19)
(Increase) decrease in advance	-	-	663	(7)	-	656
(Increase) decrease in deferred outflows of resources	16	143	-	-	333	492
Increase (decrease) in accounts payable and other liabilities	226	882	-	(121)	(107)	880
Increase (decrease) in net pension liability	(13)	13	-	-	257	257
Increase (decrease) in other post employment benefits	-	-	-	-	(21)	(21)
Increase (decrease) in deferred inflows of resources	10	3	-	-	(78)	(65)
Net cash provided (used) by operating activities	\$ 297	\$ 944	\$ 653	\$ (175)	\$ 889	\$ 2,608

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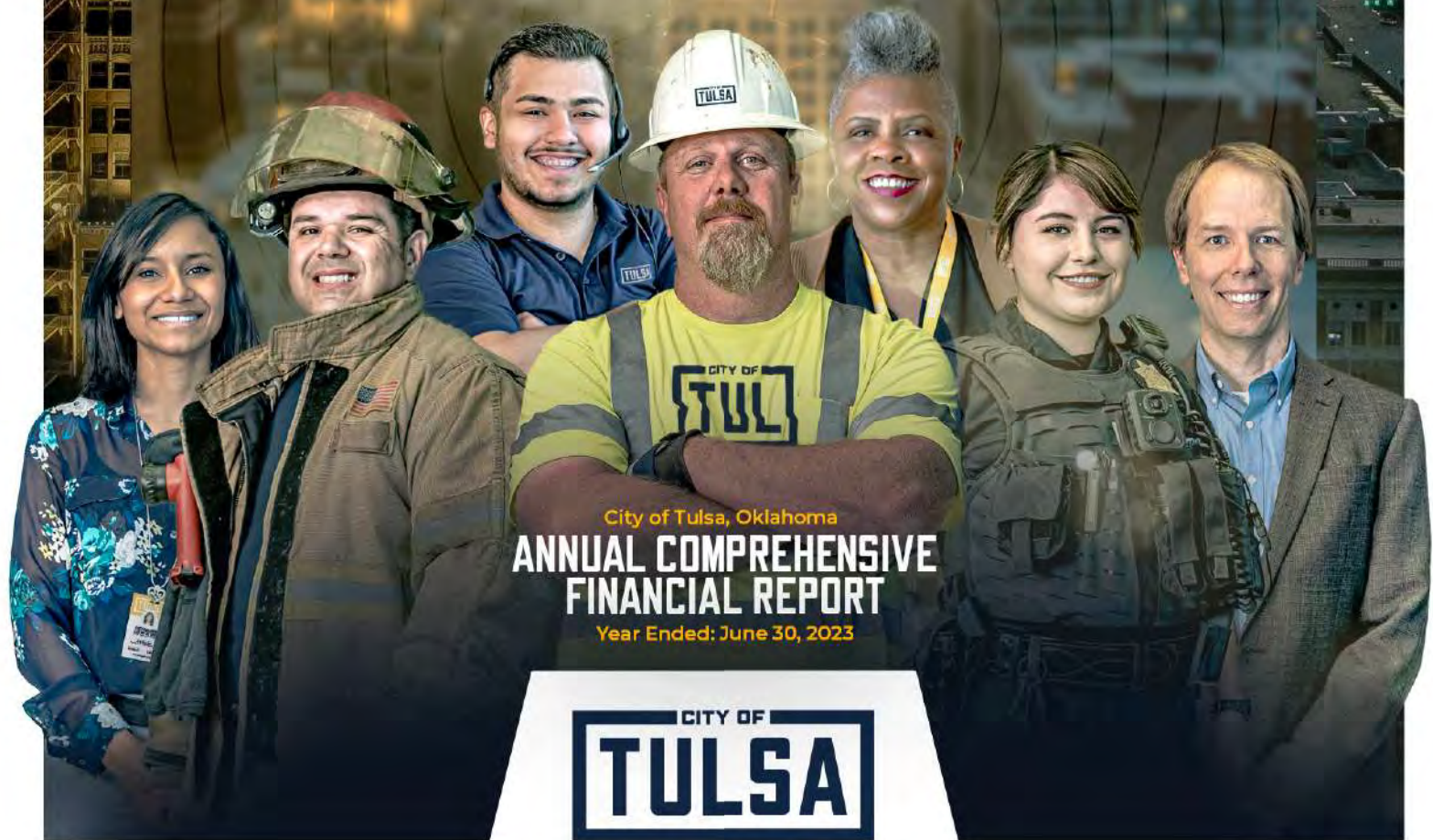
PUBLIC SERVICE

Section 2

FIDUCIARY FUNDS

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City of Tulsa, Oklahoma

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended: June 30, 2023





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

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

CITY OF TULSA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
June 30, 2023
(amounts expressed in thousands)

	Municipal Court Bonds	Unclaimed Property	Police Property Room	Total Custodial Funds
ASSETS				
Cash and cash equivalents	\$ 389	\$ 162	\$ 3,125	\$ 3,676
Total assets	389	162	3,125	3,676
LIABILITIES				
Accounts payable and accrued liabilities	-	-	156	156
Total liabilities	-	-	156	156
NET POSITION				
Restricted for:				
Individuals, organizations, and other governments	389	162	2,969	3,520
Total net position	\$ 389	\$ 162	\$ 2,969	\$ 3,520

CITY OF TULSA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
Year ended June 30, 2023
(amounts expressed in thousands)

	Municipal Court Bonds	Unclaimed Property	Police Property Room	Total Custodial Funds
ADDITIONS				
Appearance bond receipts	\$ 308	\$ -	\$ -	\$ 308
Unclaimed property receipts	-	14	-	14
Police property room receipts	-	-	1,255	1,255
Total additions	308	14	1,255	1,577
DEDUCTIONS				
Payments to individuals and programs	132	-	1,538	1,670
Payments to other funds	139	-	245	384
Total deductions	271	0	1,783	2,054
Net increase (decrease) in fiduciary net position	37	14	(528)	(477)
Net position, beginning of year	352	148	3,497	3,997
Net position, end of year	\$ 389	\$ 162	\$ 2,969	\$ 3,520

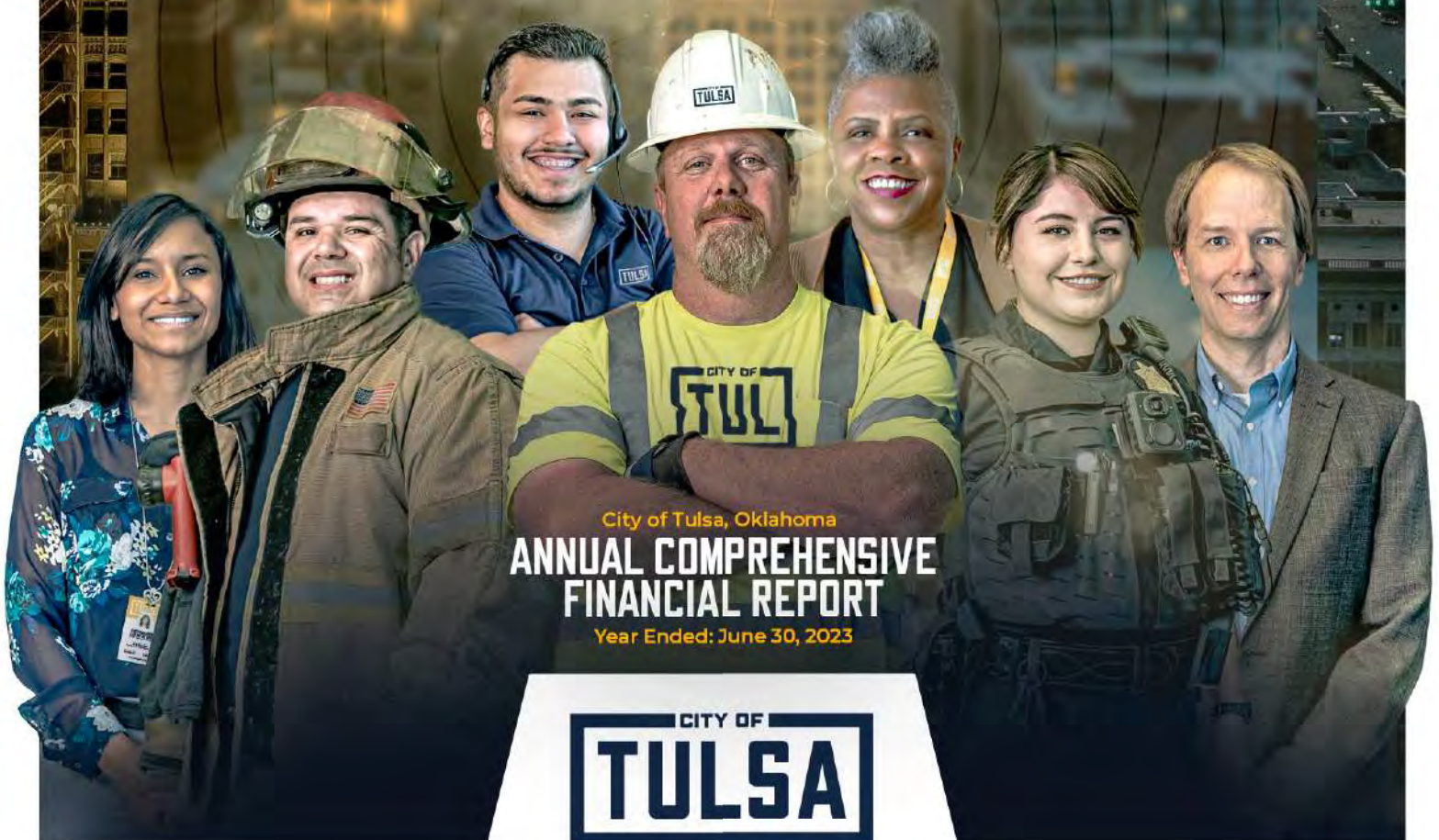
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Section 2

DISCRETELY PRESENTED NONMAJOR COMPONENT UNITS

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City of Tulsa, Oklahoma

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended: June 30, 2023





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 Authority for Economic Opportunity—TAEO is a public trust created to promote economic development and racial equality within and near Tulsa, Oklahoma.
- 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, 2023
(amounts expressed in thousands)

	Tulsa Development Authority	Metropolitan Tulsa Transit Authority	Tulsa Performing Arts Center Trust	Tulsa International Airport Development	Total Nonmajor Component Units
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 2,743	\$ 3,474	\$ 5,416	\$ -	\$ 11,633
Cash and cash equivalents - restricted	3,889	179	-	972	5,040
Investments	-	-	2,946	-	2,946
Receivables, net	28	997	467	1,465	2,957
Lease receivable	12	-	-	-	12
Inventories, net	-	1,205	-	-	1,205
Current portion of notes receivable	250	-	-	-	250
Other current assets	1	310	403	-	714
Total current assets	6,923	6,165	9,232	2,437	24,757
Noncurrent assets:					
Cash and cash equivalents - restricted	-	570	-	-	570
Receivables, net	23	-	-	-	23
Lease receivable	-	-	-	-	-
Notes receivable	3,150	-	-	-	3,150
Land held for resale, net	263	-	1,442	-	1,705
Nondepreciable capital assets	35	4,462	100	-	4,597
Depreciable capital assets, net	182	21,976	633	-	22,791
Total noncurrent assets	3,653	27,008	2,175	-	32,836
Total assets	10,576	33,173	11,407	2,437	57,593
DEFERRED OUTFLOW OF RESOURCES					
Pension related items	-	2,117	-	-	2,117
Total deferred outflow of resources	-	2,117	-	-	2,117
LIABILITIES					
Current liabilities:					
Accounts payable and accrued liabilities	42	1,761	583	2	2,388
Unearned revenue	3	72	853	-	928
Current portion of long-term liabilities	-	303	186	-	489
Total current liabilities	45	2,136	1,622	2	3,805
Noncurrent liabilities:					
Advances from primary government	-	326	-	-	326
Deposits subject to refund	224	-	-	-	224
Long-term liabilities, net	-	12,319	188	-	12,507
Total noncurrent liabilities	224	12,645	188	-	13,057
Total liabilities	269	14,781	1,810	2	16,862
DEFERRED INFLOWS OF RESOURCES					
Pension related items	-	3,001	-	-	3,001
Lease related	12	-	-	-	12
Property tax revenue	-	-	-	1,399	1,399
Total deferred inflow of resources	12	3,001	-	1,399	4,412
NET POSITION					
Net investment in capital assets	217	24,405	1,838	-	26,460
Restricted for:					
Capital projects	2,648	570	-	-	3,218
Other purposes	4,644	179	318	1,036	6,177
Unrestricted	2,786	(7,646)	7,441	-	2,581
Total net position	\$ 10,295	\$ 17,508	\$ 9,597	\$ 1,036	\$ 38,436

CITY OF TULSA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
DISCRETELY PRESENTED NONMAJOR COMPONENT UNITS
Year ended June 30, 2023
(amounts expressed in thousands)

	Tulsa Development Authority	Metropolitan Tulsa Transit Authority	Tulsa Performing Arts Center Trust	Tulsa International Airport Development	Total Nonmajor Component Units
Operating revenues					
Property rentals	\$ 57	\$ -	\$ -	\$ -	\$ 57
Parking revenues	-	-	269	-	269
Transit services	-	2,374	-	-	2,374
Event revenues	-	-	4,328	-	4,328
Other income	245	30	-	-	275
	<u>302</u>	<u>2,404</u>	<u>4,597</u>	<u>-</u>	<u>7,303</u>
Operating expenses					
Salaries and wages	-	13,324	2,772	-	16,096
Materials and supplies	-	4,230	151	-	4,381
Other services and charges	518	6,728	3,195	2	10,443
Depreciation	17	4,571	227	-	4,815
Relocation and improvement	125	-	-	-	125
	<u>660</u>	<u>28,853</u>	<u>6,345</u>	<u>2</u>	<u>35,860</u>
Operating income (loss)	<u>(358)</u>	<u>(26,449)</u>	<u>(1,748)</u>	<u>(2)</u>	<u>(28,557)</u>
Nonoperating revenues (expenses)					
Investment income (loss)	81	81	342	(41)	463
Interest and amortization expense	-	(106)	(17)	-	(123)
Sales taxes	-	-	-	54	54
Property taxes	-	-	-	705	705
Federal and state operating grant revenues	-	10,460	506	-	10,966
Contributions	-	-	726	-	726
Program support from primary government	-	11,336	2,020	-	13,356
Payments to primary government	(962)	-	-	-	(962)
Payments from component units	-	-	-	-	-
Payments to component units	-	-	-	-	-
Other, net	-	403	-	-	403
	<u>(881)</u>	<u>22,174</u>	<u>3,577</u>	<u>718</u>	<u>25,588</u>
Income (loss) before capital contributions and grants	<u>(1,239)</u>	<u>(4,275)</u>	<u>1,829</u>	<u>716</u>	<u>(2,969)</u>
Federal and state capital grant revenues	-	3,245	-	-	3,245
Capital contributions to primary government	(1,033)	-	-	-	(1,033)
Capital contributions from primary government	-	1,220	-	-	1,220
Change in net position	<u>(2,272)</u>	<u>190</u>	<u>1,829</u>	<u>716</u>	<u>463</u>
Net position - beginning of year	12,567	17,318	7,768	320	37,973
Net position, end of year	<u>\$ 10,295</u>	<u>\$ 17,508</u>	<u>\$ 9,597</u>	<u>\$ 1,036</u>	<u>\$ 38,436</u>

CITY OF TULSA
STATEMENT OF NET POSITION
TULSA METROPOLITAN UTILITY AUTHORITY - COMBINING FUND FINANCIAL STATEMENTS
June 30, 2023
(amounts expressed in thousands)

	Sewer Fund	Water Fund	Total
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 106,088	\$ 117,801	\$ 223,889
Cash and cash equivalents - restricted	11,160	21,448	32,608
Receivables, net	19,185	17,574	36,759
Lease receivable	3	100	103
Prepaid expenses	52	83	135
Inventories, net	241	8,366	8,607
Total current assets	<u>136,729</u>	<u>165,372</u>	<u>302,101</u>
Noncurrent assets:			
Cash and cash equivalents - restricted	50,424	16,565	66,989
Investment in joint venture	38,225	-	38,225
Lease receivable	30	749	779
Receivables, net	235	85	320
Nondepreciable capital assets	55,368	65,778	121,146
Depreciable capital assets, net	813,843	641,597	1,455,440
Total noncurrent assets	<u>958,125</u>	<u>724,774</u>	<u>1,682,899</u>
Total assets	<u>1,094,854</u>	<u>890,146</u>	<u>1,985,000</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	53	620	673
Pension related items	5,334	7,240	12,574
OPEB related items	233	263	496
Total deferred outflows of resources	<u>5,620</u>	<u>8,123</u>	<u>13,743</u>
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	17,586	15,200	32,786
Current portion of long-term liabilities	24,549	14,134	38,683
Deposits subject to refund - restricted	801	14,133	14,934
Total current liabilities	<u>42,936</u>	<u>43,467</u>	<u>86,403</u>
Noncurrent liabilities:			
Long-term liabilities	284,777	106,045	390,822
Total noncurrent liabilities	<u>284,777</u>	<u>106,045</u>	<u>390,822</u>
Total liabilities	<u>327,713</u>	<u>149,512</u>	<u>477,225</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred gain on refunding	650	-	650
Pension related items	1,274	1,402	2,676
OPEB related items	174	189	363
Lease related	30	805	835
Property tax revenue	471	-	471
Total deferred inflows of resources	<u>2,599</u>	<u>2,396</u>	<u>4,995</u>
NET POSITION			
Net investment in capital assets	673,502	642,090	1,315,592
Restricted for:			
Debt service	9,704	6,690	16,394
Unrestricted	<u>86,956</u>	<u>97,581</u>	<u>184,537</u>
Total net position	<u>\$ 770,162</u>	<u>\$ 746,361</u>	<u>\$ 1,516,523</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, 2023
(amounts expressed in thousands)

	Sewer Fund	Water Fund	Total
Operating revenues			
Water and sewer services	\$ 145,309	\$ 136,866	\$ 282,175
Operating expenses			
Salaries and wages	34,629	39,926	74,555
Materials and supplies	4,332	12,342	16,674
Other services and charges	25,116	29,429	54,545
Depreciation	24,066	21,636	45,702
Total operating expenses	<u>88,143</u>	<u>103,333</u>	<u>191,476</u>
Operating income	<u>57,166</u>	<u>33,533</u>	<u>90,699</u>
Nonoperating revenues (expenses)			
Investment income	2,605	2,409	5,014
Interest and amortization expense	(6,491)	(2,152)	(8,643)
Property taxes	520	-	520
Federal and state grants revenues	-	4	4
Payments to primary government	(9,468)	(10,000)	(19,468)
Other, net	14	98	112
Total nonoperating revenues (expenses)	<u>(12,820)</u>	<u>(9,641)</u>	<u>(22,461)</u>
Income before capital contributions	44,346	23,892	68,238
Capital contributions	5,631	5,100	10,731
Capital contributions to primary government	(35)	(67)	(102)
Capital contributions from primary government	53	5	58
	<u>5,649</u>	<u>5,038</u>	<u>10,687</u>
Change in net position	49,995	28,930	78,925
Net position, beginning of year	720,167	717,431	1,437,598
Net position, end of year	<u>\$ 770,162</u>	<u>\$ 746,361</u>	<u>\$ 1,516,523</u>

CITY OF TULSA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS
Year ended June 30, 2023
(amounts expressed in thousands)

	Tulsa Metropolitan Utility Authority	Tulsa Authority for Recovery of Energy	Tulsa Airports	Tulsa Authority for Economic Opportunity	Other Component Units	Total Component Units
Operating revenues						
Water and sewer services	\$ 282,175	\$ -	\$ -	\$ -	\$ -	\$ 282,175
Refuse services	-	30,890	-	-	-	30,890
Property rentals	-	5	31,499	786	57	32,347
Parking revenues	-	-	13,297	6,752	269	20,318
Transit services	-	-	-	-	2,374	2,374
Event revenues	-	-	-	-	4,328	4,328
Other income	-	158	-	404	275	837
Total operating revenues	282,175	31,053	44,796	7,942	7,303	373,269
Operating expenses						
Salaries and wages	74,555	5,691	12,990	2,554	16,096	111,886
Materials and supplies	16,674	-	2,001	-	4,381	23,056
Other services and charges	54,545	23,166	11,479	11,696	10,443	111,329
Depreciation	45,702	1,024	18,387	1,450	4,815	71,378
Relocation and improvement	-	-	-	-	125	125
Total operating expenses	191,476	29,881	44,857	15,700	35,860	317,774
Operating income (loss)	90,699	1,172	(61)	(7,758)	(28,557)	55,495
Nonoperating revenues (expenses)						
Investment income (loss)	5,014	203	2,084	566	463	8,330
Interest and amortization expense	(8,643)	-	(5,326)	(1,267)	(123)	(15,359)
Sales taxes	-	-	-	718	54	772
Property taxes	520	-	-	2,621	705	3,846
Federal and state grant revenues	4	-	14,955	160	10,966	26,085
Contributions	-	-	-	3	726	729
Payments from primary government	-	-	-	1,489	13,356	14,845
Payments to primary government	(19,468)	(2,052)	-	-	(962)	(22,482)
Gain (loss) on disposition of capital assets	112	26	-	-	-	138
Other, net	-	2	82	-	403	487
Total nonoperating revenues (expenses)	(22,461)	(1,821)	11,795	4,290	25,588	17,391
Income (loss) before capital contributions and grants	68,238	(649)	11,734	(3,468)	(2,969)	72,886
Federal and state capital grant revenues	-	-	5,414	-	3,245	8,659
Capital contributions	10,731	-	425	-	-	11,156
Capital contributions to primary government	(102)	-	-	-	(1,033)	(1,135)
Capital contributions from primary government	58	-	-	-	1,220	1,278
	10,687	-	5,839	-	3,432	19,958
Change in net position	78,925	(649)	17,573	(3,468)	463	92,844
Net position - beginning of year	1,437,598	22,797	307,822	33,998	37,973	1,840,188
Net position - end of year	\$ 1,516,523	\$ 22,148	\$ 325,395	\$ 30,530	\$ 38,436	\$ 1,933,032

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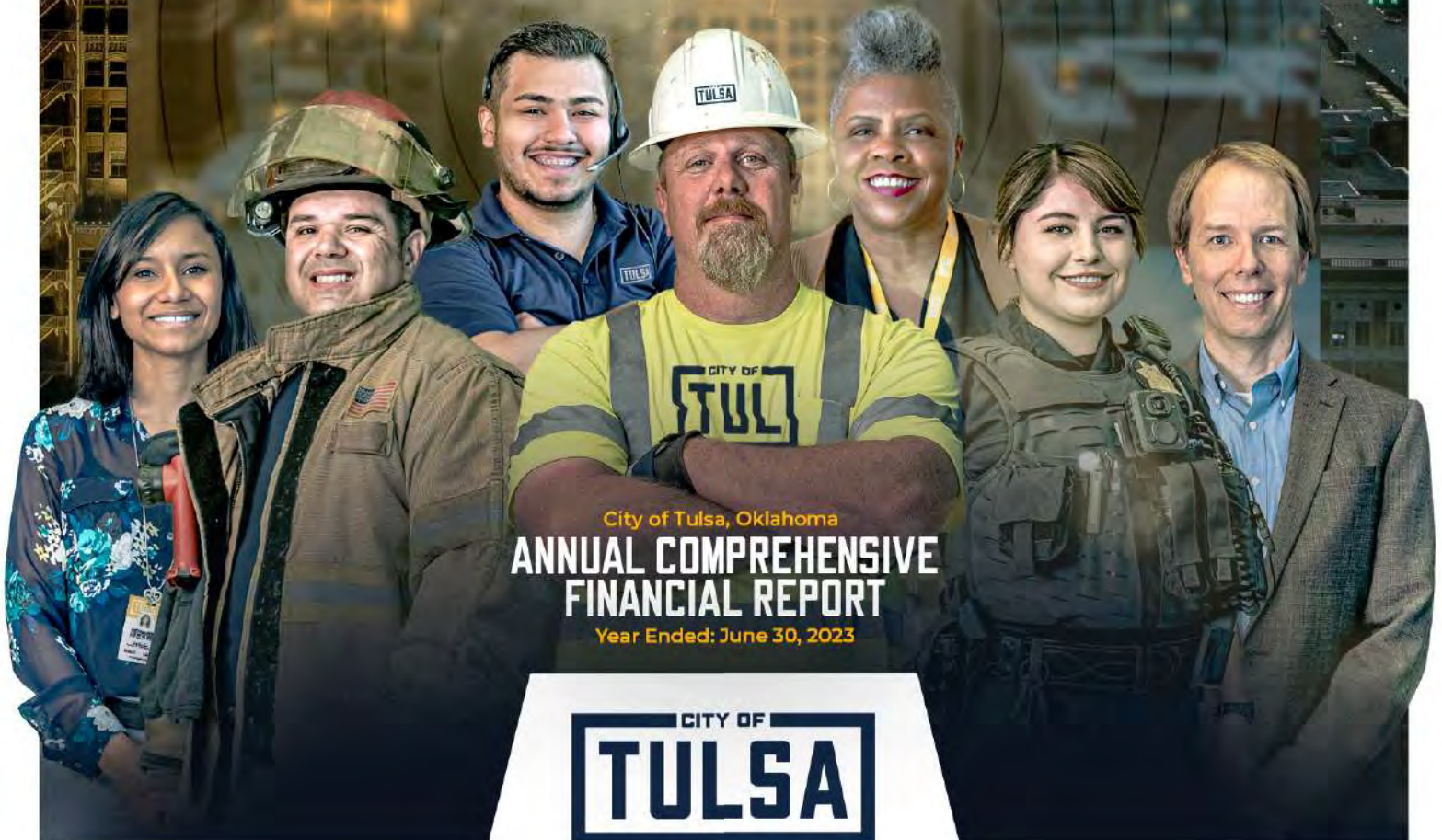
PUBLIC SERVICE

Section 2

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

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City of Tulsa, Oklahoma

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended: June 30, 2023



CITY OF TULSA
CAPITAL ASSETS USED IN OPERATION OF GOVERNMENTAL FUNDS
COMPARATIVE SCHEDULE BY SOURCE
June 30, 2023 and 2022
(amounts expressed in thousands)

	2023	2022
Governmental funds capital assets		
Land	\$ 563,639	\$ 561,547
Buildings	270,685	266,586
Improvements other than buildings	139,770	124,867
Machinery and equipment	276,499	259,059
Infrastructure	3,868,967	3,794,153
Construction in progress	237,736	181,894
Right-to-use buildings	12,860	13,129
Right-to-use machinery and equipment	1,102	1,834
Right-to-use land	454	454
Total governmental funds capital assets	<u>\$ 5,371,712</u>	<u>\$ 5,203,523</u>
Investments in governmental funds capital assets by source		
General fund	9,867	11,595
Special revenue funds	311,942	306,897
Capital projects funds	4,561,009	4,396,149
Donations	488,894	488,882
Total governmental funds capital assets	<u>\$ 5,371,712</u>	<u>\$ 5,203,523</u>

CITY OF TULSA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
Year ended June 30, 2023
(amounts expressed in thousands)

Function and Activity	Governmental Funds Capital Assets July 1, 2022	Additions	Deductions	Governmental Funds Capital Assets June 30, 2023
<i>General Government</i>				
Mayor	\$ 6	\$ -	\$ -	\$ 6
Finance	4,462	-	-	4,462
Legal	138	-	(14)	124
Human Resources	561	32	-	593
Communications	14	-	-	14
Equipment Management	4,546	140	(269)	4,417
City Council	1,120	15	-	1,135
General Government	22,619	-	(2,012)	20,607
Information Technology	65,952	1,287	(1,023)	66,216
	<u>99,418</u>	<u>1,474</u>	<u>(3,318)</u>	<u>97,574</u>
<i>Public Works & Transportation</i>	4,693,140	259,928	(122,591)	4,830,477
<i>Public Safety & Protection</i>				
Police	108,820	5,954	(1,050)	113,724
Fire	86,875	17,172	(1,181)	102,866
Municipal Court	57	-	-	57
	<u>195,752</u>	<u>23,126</u>	<u>(2,231)</u>	<u>216,647</u>
<i>Social & Economic Development</i>				
Mayor's Office of Human Rights	22	-	(22)	-
Mayor's Office of Economic Development	775	-	-	775
WIN	3,612	222	(88)	3,746
Development Services	2,792	24	(82)	2,734
	<u>7,201</u>	<u>246</u>	<u>(192)</u>	<u>7,255</u>
<i>Cultural Development & Recreation</i>				
Gilcrease	9,631	54	-	9,685
Parks	171,087	11,595	(45)	182,637
Public Events and PAC	27,294	143	-	27,437
	<u>208,012</u>	<u>11,792</u>	<u>(45)</u>	<u>219,759</u>
Total Governmental funds capital assets	<u>\$ 5,203,523</u>	<u>\$ 296,566</u>	<u>\$ (128,377)</u>	<u>\$ 5,371,712</u>

CITY OF TULSA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
June 30, 2023
(amounts expressed in thousands)

Function and Activity	Land	Buildings	Improvements Other than Buildings	Machinery and Equipment	Infrastructure	Construction in Progress	Right-to-use Buildings	Right-to-use Equipment	Right-to-use Land	Total
General Government										
Mayor	\$ -	\$ -	\$ -	\$ 6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6
Finance	150	-	-	4,312	-	-	-	-	-	4,462
Legal	-	-	-	124	-	-	-	-	-	124
Human Resources	-	-	-	593	-	-	-	-	-	593
Communications	-	-	-	14	-	-	-	-	-	14
Equipment Management	12	644	-	2,205	-	-	-	1,102	454	4,417
City Council	-	215	-	920	-	-	-	-	-	1,135
General Government	2,500	1,570	15,902	635	-	-	-	-	-	20,607
Information Technology	32	11,656	687	53,362	-	-	479	-	-	66,216
	<u>2,694</u>	<u>14,085</u>	<u>16,589</u>	<u>62,171</u>	<u>-</u>	<u>-</u>	<u>479</u>	<u>1,102</u>	<u>454</u>	<u>97,574</u>
Public Works & Transportation										
	534,573	92,117	51,495	46,236	3,868,475	237,581	-	-	-	4,830,477
	<u>534,573</u>	<u>92,117</u>	<u>51,495</u>	<u>46,236</u>	<u>3,868,475</u>	<u>237,581</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,830,477</u>
Public Safety & Protection										
Police	1505	29,551	159	70,172	-	87	12,250	-	-	113,724
Fire	2,520	26,849	1,179	72,119	-	68	131	-	-	102,866
Municipal Court	-	-	-	57	-	-	-	-	-	57
	<u>4,025</u>	<u>56,400</u>	<u>1,338</u>	<u>142,348</u>	<u>-</u>	<u>155</u>	<u>12,381</u>	<u>-</u>	<u>-</u>	<u>216,647</u>
Social & Economic Development										
Mayor's Office of Human Rights	-	-	-	-	-	-	-	-	-	-
Mayor's Office of Economic Development	743	-	-	32	-	-	-	-	-	775
WIN	-	1,784	-	1,962	-	-	-	-	-	3,746
Development Services	27	-	10	2,697	-	-	-	-	-	2,734
	<u>770</u>	<u>1,784</u>	<u>10</u>	<u>4,691</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,255</u>
Cultural Development & Recreation										
Gilcrease	81	1,826	110	7,668	-	-	-	-	-	9,685
Parks	20,900	79,879	70,228	11,138	492	-	-	-	-	112,637
PAC	596	24,594	-	2,247	-	-	-	-	-	27,437
	<u>21,577</u>	<u>106,299</u>	<u>70,338</u>	<u>21,053</u>	<u>492</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>219,759</u>
Total Governmental Funds Capital Assets	<u>\$ 563,639</u>	<u>\$ 270,685</u>	<u>\$ 139,770</u>	<u>\$ 276,499</u>	<u>\$ 3,868,967</u>	<u>\$ 237,736</u>	<u>\$ 12,860</u>	<u>\$ 1,102</u>	<u>\$ 454</u>	<u>\$ 5,371,712</u>

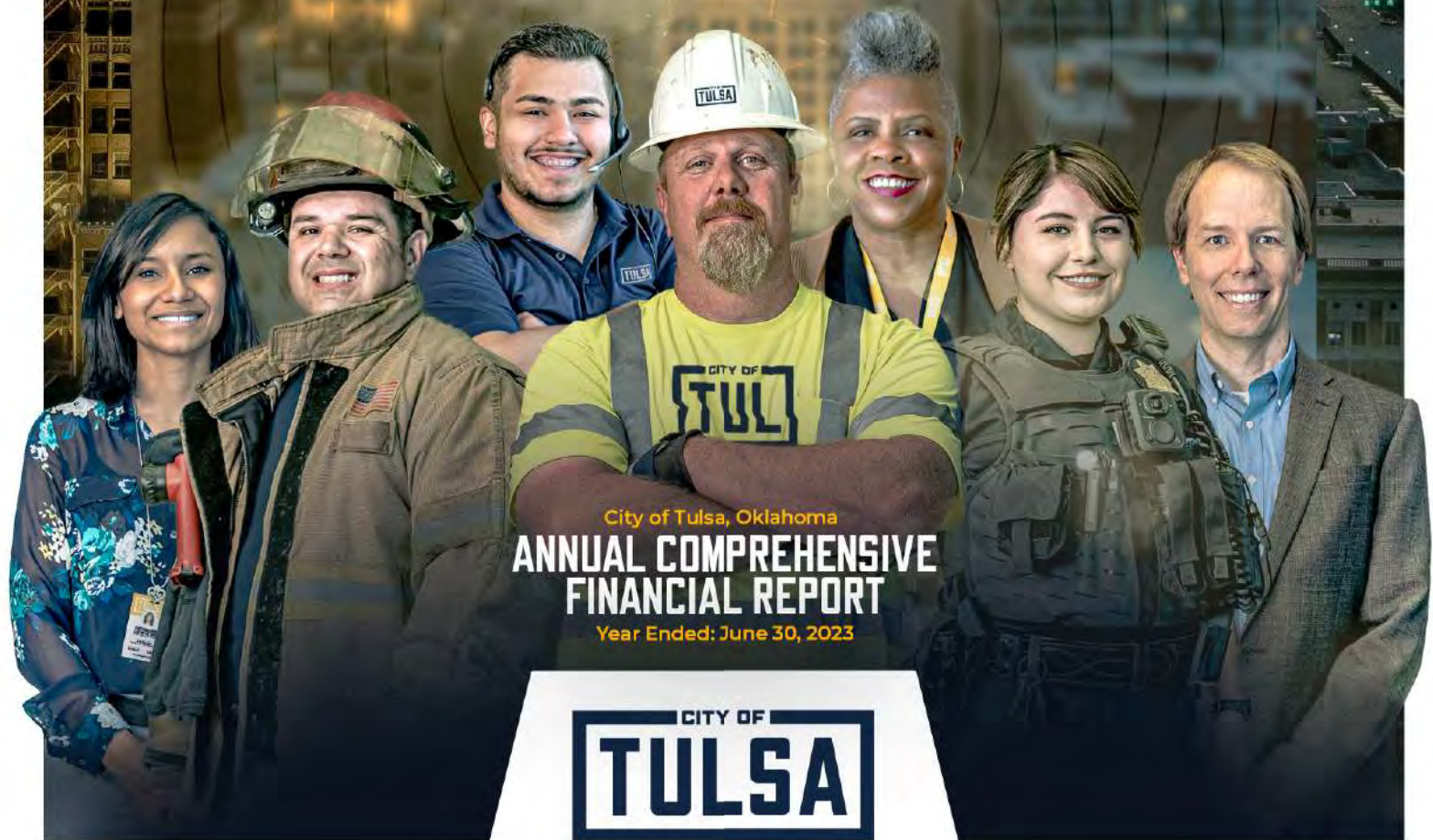
PUBLIC SERVICE

Section 3

STATISTICAL SECTION

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City of Tulsa, Oklahoma

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended: June 30, 2023





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)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental activities:										
Net investment in capital assets	\$ 1,716,094	\$ 1,599,000	\$ 1,542,291	\$ 1,526,232	\$ 1,486,358	\$ 1,485,779	\$ 1,386,778	\$ 1,288,414	\$ 1,235,482	\$ 1,167,495
Restricted	569,160	533,382	474,800	450,702	417,766	321,201	291,237	273,642	262,022	263,303
Unrestricted	(120,132)	(135,997)	(144,607)	(180,783)	(167,546)	(188,066)	(202,213)	(197,489)	(212,406)	53,045
	<u>\$ 2,165,122</u>	<u>\$ 1,996,385</u>	<u>\$ 1,872,484</u>	<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>
Business-type activities:										
Net investment in capital assets	560,594	555,093	565,547	533,341	503,307	490,067	498,427	504,926	514,764	531,789
Restricted	14,521	17,830	19,890	18,962	17,514	12,218	12,664	11,732	11,939	14,398
Unrestricted	36,994	27,861	22,007	22,385	24,808	34,025	30,089	27,332	22,202	19,289
	<u>\$ 612,109</u>	<u>\$ 600,784</u>	<u>\$ 607,444</u>	<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>
Primary government:										
Net investment in capital assets	2,276,688	2,154,093	2,107,838	2,059,573	1,989,665	1,975,846	1,885,205	1,793,340	1,750,246	1,699,284
Restricted	583,681	551,212	494,690	469,664	435,280	333,419	303,901	285,374	273,961	277,701
Unrestricted	(83,138)	(108,136)	(122,600)	(158,398)	(142,738)	(154,041)	(172,124)	(170,157)	(190,204)	72,334
	<u>\$ 2,777,231</u>	<u>\$ 2,597,169</u>	<u>\$ 2,479,928</u>	<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>

Restatements of prior years

2022 - June 30, 2022 business-type activities were restated -\$329, as a result of the adoption of GASB Statement No. 87.

Prior years were not restated.

2021 - June 30, 2021 governmental activities and business-type activities were restated -\$25,397 and \$25,397, respectively, as a result of reclassifying a fund from governmental to business-type activities.

Prior years were not restated.

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.

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

		2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Expenses:	Governmental activities:										
	General government	\$ 83,706	\$ 76,846	\$ 74,033	\$ 80,629	\$ 75,017	\$ 65,886	\$ 69,279	\$ 64,141	\$ 46,755	\$ 42,853
	Public safety and protection	274,382	215,570	256,326	250,740	202,244	217,296	205,938	200,726	186,385	199,749
	Public works and transportation	102,140	94,683	93,629	82,368	86,997	80,941	79,746	75,400	69,523	64,381
	Culture and recreation	33,860	33,100	26,718	35,153	29,510	27,833	24,949	24,124	22,638	24,629
	Social and economic	62,724	79,512	56,986	47,845	82,661	23,993	37,612	38,629	31,409	27,845
	Interest on long-term debt	13,879	13,433	15,990	17,426	16,735	14,863	12,583	11,864	12,285	12,250
	Total governmental activities expenses	570,691	513,144	523,682	514,161	493,164	430,812	430,107	414,884	368,995	371,707
	Business-type activities:										
	Stormwater	41,904	39,419	36,041	37,247	35,642	31,680	31,429	30,084	25,877	25,721
	Leasing	11,538	10,229	8,736	8,119	9,046	8,846	9,127	9,982	10,643	9,927
	Arena & Convention	29,628	26,304	19,522	24,550	25,826	25,755	25,199	24,910	25,507	23,815
	Tulsa Stadium Trust	3,665	3,501	3,262	4,388	3,539	4,083	3,219	3,330	3,500	4,028
	Golf Courses	4,226	3,158	2,770	2,606	2,832	3,167	3,276	3,288	2,917	3,183
	Total business-type activities	90,961	82,611	70,331	76,910	76,885	73,531	72,250	71,594	68,444	66,674
	Total primary government	661,652	595,755	594,013	591,071	570,049	504,343	502,357	486,478	437,439	438,381
Program Revenues:	Governmental activities:										
	Charges for services										
	General government	37,706	35,879	37,399	39,873	39,984	37,960	29,763	25,493	9,664	10,279
	Public safety and protection	12,878	12,126	13,346	14,280	14,854	13,921	24,490	24,359	25,264	23,918
	Public works and transportation	-	-	-	3,281	5,040	6,517	12,277	11,250	13,693	14,045
	Culture and recreation	1,933	1,556	1,749	636	4,903	4,805	4,420	4,814	5,006	4,754
	Social and economic	31,709	20,725	13,920	13,476	14,186	11,043	2,447	1,913	1,626	1,155
	Operating grants and contributions	53,764	46,704	67,336	37,090	38,163	31,057	30,000	29,486	32,364	35,063
	Capital grants and contributions	17,579	3,241	10,639	8,472	30,885	14,846	40,309	6,308	4,694	3,784
	Total governmental activities program revenues	155,569	120,231	144,389	117,108	148,015	120,149	143,706	103,623	92,311	92,998
	Business-type activities:										
	Charges for services										
	Stormwater	41,950	39,527	39,251	35,975	32,970	29,754	28,488	27,674	25,099	23,625
	Leasing	9,537	9,541	8,183	8,321	7,045	9,360	9,154	8,986	9,183	9,176
	Arena & Convention	25,902	15,407	4,379	15,183	18,413	18,046	16,754	15,633	16,514	13,953
	Tulsa Stadium Trust	225	213	228	285	248	250	249	281	276	334
	Golf Courses	3,385	2,821	2,845	2,248	2,392	2,588	2,785	2,828	2,420	2,700
	Operating grants and contributions	-	-	-	84	-	-	-	-	-	-
	Capital grants and contributions	14,680	7,490	10,546	6,181	2,938	2,199	5,602	4,689	1,291	2,360
	Total business-type activities program revenues	95,679	74,999	65,432	68,277	64,006	62,197	63,032	60,091	54,783	52,148
	Total primary government program revenues	\$ 251,248	\$ 195,230	\$ 209,821	\$ 185,385	\$ 212,021	\$ 182,346	\$ 206,738	\$ 163,714	\$ 147,094	\$ 145,146
Net (Expense) Revenue:	Governmental activities	(415,122)	(392,913)	(379,293)	(397,053)	(345,149)	(310,663)	(286,401)	(311,261)	(276,684)	(278,709)
	Business-type activities	4,718	(7,612)	(4,899)	(8,633)	(12,879)	(11,334)	(9,218)	(11,503)	(13,661)	(14,526)
	Total primary government net expense	\$ (410,404)	\$ (400,525)	\$ (384,192)	\$ (405,686)	\$ (358,028)	\$ (321,997)	\$ (295,619)	\$ (290,345)	\$ (290,345)	\$ (293,235)
General Revenues and Other Changes in Net Position:											
	Taxes										
	Sales tax	\$ 344,070	\$ 327,026	\$ 293,522	\$ 280,738	\$ 284,687	\$ 278,317	\$ 250,271	\$ 234,912	\$ 231,997	\$ 231,108
	Property tax	82,860	82,468	69,365	82,065	79,522	77,074	72,075	73,450	64,667	59,659
	Franchise tax	32,224	26,282	21,629	22,701	23,122	24,420	23,235	22,620	24,039	24,053
	Use tax	65,828	59,449	53,062	44,996	41,068	31,084	25,922	23,640	24,104	24,776
	Lodging tax	9,355	8,711	5,653	6,170	7,870	7,414	7,380	7,483	7,552	7,050
	Unrestricted grants and contributions	13,991	18,044	6,762	7,333	7,747	7,587	7,131	6,814	6,037	7,894
	Payments from component units	23,585	24,762	25,002	25,971	17,204	17,803	15,094	14,631	14,100	14,710
	Investment earnings (loss)	14,371	(29,360)	11,690	20,573	20,667	7,629	(551)	7,910	6,469	7,072
	Miscellaneous	1,990	1,581	5,405	2,170	1,437	1,505	2,862	4,749	2,734	2,253
	Transfers	(4,415)	(2,149)	(11,067)	(36,091)	(20,511)	(4,639)	(5,783)	(5,479)	(5,644)	(15,060)
	Total governmental activities	583,859	516,814	481,023	456,626	462,813	448,194	397,636	390,730	376,055	363,515
	Business-type activities:										
	Investment earnings and other	2,192	(868)	1,191	1,601	1,687	1,007	625	1,109	937	3,193
	Transfers & capital contributions	4,415	2,149	11,067	36,091	20,511	4,639	5,783	5,479	5,644	15,060
	Total business-type activities	6,607	1,281	12,258	37,692	22,198	5,646	6,408	6,588	6,581	18,253
	Total primary government	\$ 590,466	\$ 518,095	\$ 493,281	\$ 494,318	\$ 485,011	\$ 453,840	\$ 404,044	\$ 397,318	\$ 382,636	\$ 381,768
Changes in Net Position:	Governmental activities	168,737	123,901	101,730	59,573	117,664	137,531	111,235	79,469	99,371	84,806
	Business-type activities	11,325	(6,331)	7,359	29,059	9,319	(5,688)	(2,810)	(4,915)	(7,080)	3,727
	Total primary government	\$ 180,062	\$ 117,570	\$ 109,089	\$ 88,632	\$ 126,983	\$ 131,843	\$ 108,425	\$ 74,554	\$ 92,291	\$ 88,533

Note- In 2022, the City recorded the transfer-in of parking operations from the Tulsa Parking Authority of \$30,472, and the transfer-out of parking operations to the Tulsa Authority for Economic Opportunity of \$30,472 as special items with a \$0 overall impact on the Changes in Net Position.

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

<u>Year</u>	<u>Sales Tax</u>	<u>Property Tax</u>	<u>Franchise Tax</u>	<u>Use Tax</u>	<u>Lodging Tax</u>	<u>Total</u>
2023	\$ 344,070	\$ 82,860	\$ 32,224	\$ 65,828	\$ 9,355	\$ 534,337
2022	327,026	82,468	26,282	59,449	8,711	503,936
2021	293,522	69,365	21,629	53,062	5,653	443,231
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

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

Function/Program:	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental activities:										
General government	\$ 37,736	\$ 35,879	\$ 37,412	\$ 39,873	\$ 39,984	\$ 37,960	\$ 29,763	\$ 25,493	\$ 9,664	\$ 10,478
Public safety and protection	55,342	43,319	67,030	45,559	46,249	42,730	48,388	47,860	50,824	47,874
Public works and transportation	7,342	2,154	9,590	10,012	13,604	21,363	52,586	17,558	18,387	17,476
Culture and recreation	10,166	1,556	2,418	2,377	4,903	4,805	4,420	4,814	5,006	4,754
Social and economic	44,983	37,323	27,939	19,287	43,275	13,291	8,549	7,898	8,430	12,416
Total governmental activities	<u>155,569</u>	<u>120,231</u>	<u>144,389</u>	<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>
Business-type activities:										
Stormwater	48,559	42,595	43,936	42,240	35,908	31,953	34,090	32,363	26,390	25,806
Leasing	17,256	9,541	9,518	8,321	7,045	9,360	9,154	8,986	9,183	9,176
Arena & Convention	26,254	15,407	4,379	15,183	18,413	18,046	16,754	15,633	16,514	13,993
Tulsa Stadium Trust	225	213	228	285	248	250	249	281	276	334
Tulsa Golf Courses	3,385	7,243	7,371	2,248	2,392	2,588	2,785	2,828	2,420	2,839
Total business-type activities	<u>95,679</u>	<u>74,999</u>	<u>65,432</u>	<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>
Total primary government	<u>\$ 251,248</u>	<u>\$ 195,230</u>	<u>\$ 209,821</u>	<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>

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Fund:										
Nonspendable	\$ 553	\$ 500	\$ 500	\$ 543	\$ 550	\$ 537	\$ 516	\$ 611	\$ 611	\$ 611
Restricted	-	-	3,000	3,000	2,000	2,000	2,000	2,000	2,000	2,000
Assigned	30,584	27,717	12,155	14,052	7,424	5,315	6,221	5,183	8,047	6,889
Unassigned	85,809	85,111	92,352	54,358	61,495	51,181	47,301	54,252	54,830	50,264
	<u>\$ 116,946</u>	<u>\$ 113,328</u>	<u>\$ 108,007</u>	<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>
Other Governmental Funds:										
Restricted	\$ 779,447	\$ 799,622	\$ 776,539	\$ 863,033	\$ 701,957	\$ 625,096	\$ 627,362	\$ 458,796	\$ 441,787	\$ 403,806
Committed	7,608	7,332	6,819	7,576	5,868	5,115	6,672	4,691	3,094	1,698
Assigned	335	-	-	-	-	-	-	-	-	-
Unassigned	(5,695)	(1,153)	(233)	(1,198)	(893)	(1,053)	(419)	(310)	(321)	(456)
	<u>\$ 781,695</u>	<u>\$ 805,801</u>	<u>\$ 783,125</u>	<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>

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Revenues										
Sales tax	\$ 344,070	\$ 327,026	\$ 293,522	\$ 280,738	\$ 284,687	\$ 278,317	\$ 250,271	\$ 234,912	\$ 231,997	\$ 231,108
Property tax	82,989	81,325	69,946	82,085	78,930	77,013	68,961	73,450	63,229	57,478
Franchise tax	32,224	26,282	21,629	22,701	23,122	24,420	23,235	22,620	24,039	24,053
Use tax	65,828	59,449	53,062	44,996	41,068	31,084	25,922	23,640	24,104	24,776
Lodging tax	9,355	8,711	5,653	6,170	7,870	7,414	7,380	7,483	7,552	7,050
Special assessment tax	6,511	6,038	3,440	3,442	3,627	3,446	3,392	3,525	3,412	3,595
Charges for services	29,264	25,246	28,032	30,888	33,795	33,353	30,043	28,408	30,927	30,412
Intergovernmental revenues	65,410	70,685	77,193	45,089	47,944	48,197	42,349	39,759	43,425	47,794
Fines and forfeitures	6,936	6,408	5,928	6,808	7,974	7,386	8,226	8,077	8,923	9,565
Investment income	9,191	(31,040)	5,972	19,074	20,440	7,119	928	7,974	5,423	7,002
Licenses, permits, and fees	12,173	12,032	8,754	9,429	11,021	7,940	8,111	8,397	8,421	7,801
Program income from grants	2,498	1,921	1,800	1,764	2,644	3,018	1,382	1,337	1,397	1,146
Payments from component units	22,552	24,602	24,536	24,758	15,737	15,678	14,846	14,383	13,506	13,566
Miscellaneous	5,937	1,560	4,110	1,646	1,235	1,361	2,447	4,413	2,659	2,253
Total revenues	694,938	620,245	603,577	579,588	580,094	545,746	487,493	478,378	469,014	467,599
Expenditures										
Current:										
General government	57,272	51,557	51,170	48,920	44,760	42,890	39,899	37,105	36,773	37,857
Public safety and protection	271,442	244,166	222,424	230,619	220,590	213,138	199,715	203,045	195,178	190,287
Public works and transportation	23,429	22,832	17,415	23,871	21,435	21,335	22,773	21,038	24,186	24,983
Culture and recreation	25,648	21,199	21,636	19,382	22,130	21,816	20,799	20,790	20,867	21,584
Social and economic development	41,445	47,515	33,775	24,541	25,401	21,716	23,917	30,595	28,673	28,319
Payments to component units	16,081	17,659	12,972	14,783	11,982	11,883	14,223	15,600	11,123	9,719
Capital outlay	189,530	166,440	179,859	142,885	159,728	132,145	120,653	122,370	104,128	111,597
Debt service:										
Principal	130,272	98,774	75,718	93,343	67,311	61,155	59,546	52,975	52,832	41,953
Interest	22,169	24,873	27,497	23,294	22,032	16,802	16,867	15,724	16,768	16,509
Total expenditures	777,288	695,015	642,466	621,638	595,369	542,880	518,392	519,242	490,528	482,808
Excess (deficiency) of revenues over expenditures	(82,350)	(74,770)	(38,889)	(42,050)	(15,275)	2,866	(30,899)	(40,864)	(21,514)	(15,649)
Other financing sources (uses)										
Transfers in	32,259	12,888	6,615	4,850	4,125	2,896	4,373	5,121	4,495	1,706
Transfers out	(37,273)	(17,338)	(17,966)	(41,587)	(26,151)	(7,999)	(12,134)	(11,162)	(11,454)	(17,349)
Sale of capital assets	377	993	1,655	1,265	459	775	608	1,222	905	1,468
Issuance of lease	-	-	-	5,678	1,103	-	-	-	-	-
Bond issuance	64,680	102,950	-	203,895	118,100	-	193,300	57,000	70,000	50,000
Refunding bond issuance	-	52,020	30,465	-	32,230	-	31,200	23,133	57,073	-
Premium on bond issuance	1,819	3,274	305	30,912	7,849	-	9,182	3,858	2,804	1,316
Payment to bond escrow agent	-	(52,020)	(30,465)	-	(32,230)	-	(31,200)	(23,133)	(57,073)	-
Total other financing sources (uses)	61,862	102,767	(9,391)	205,013	105,485	(4,328)	195,329	56,039	66,750	37,141
Net changes in fund balances	(20,488)	27,997	(48,280)	162,963	90,210	(1,462)	164,430	15,175	45,236	21,492
Fund balance, beginning	919,129	891,132	941,364	778,401	688,191	689,653	525,223	510,048	464,812	443,320
Cumulative effect of change in acctg. principle	-	-	(1,952)	-	-	-	-	-	-	-
Fund balance, ending	\$ 898,641	\$ 919,129	\$ 891,132	\$ 941,364	\$ 778,401	\$ 688,191	\$ 689,653	\$ 525,223	\$ 510,048	\$ 464,812
Debt service as a percentage of noncapital expenditures	25.63%	23.58%	22.06%	24.34%	20.43%	18.86%	18.57%	16.96%	17.85%	15.94%

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	Lodging Tax	Total
2023	\$ 344,070	\$ 82,989	\$ 32,224	\$ 65,828	\$ 9,355	\$ 534,466
2022	327,026	81,325	26,282	59,449	8,711	502,793
2021	293,522	69,946	21,629	53,062	5,653	443,812
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

CITY OF TULSA
PRINCIPAL SALES TAX REMITTERS
(amounts expressed in thousands)
June 30, 2023

2023					2014				
SIC Code	Sales Tax Remitter	Amount Remitted	Revenue Base	Percentage of Total Revenue Base	SIC Code	Sales Tax Remitter	Amount Remitted	Revenue Base	Percentage of Total Revenue Base
53	General Merchandise Stores	\$ 50,315	\$ 1,378,492	14.65%	53	General Merchandise Stores	\$ 36,351	\$ 1,147,820	15.69%
58	Eating and Drinking Places	49,834	1,365,328	14.51%	58	Eating and Drinking Places	28,844	910,753	12.45%
50	Wholesale Trade-Durable Goods	33,340	913,417	9.71%	59	Miscellaneous Retail	25,062	791,342	10.82%
49	Electric, Gas, and Sanitary Services	28,385	777,680	8.27%	49	Electric, Gas, and Sanitary Services	17,084	539,431	7.37%
52	Building Materials & Garden Supplies	26,049	713,677	7.59%	54	Food Stores	16,892	533,387	7.29%
59	Miscellaneous Retail	25,021	685,510	7.29%	57	Furniture & Home Furnishings Store	16,674	526,506	7.20%
54	Food Stores	20,021	548,529	5.83%	52	Building Materials & Garden Supplies	14,231	449,339	6.14%
51	Wholesale Trade-Durable Goods	18,140	496,984	5.28%	50	Wholesale Trade-Durable Goods	13,279	419,299	5.73%
57	Furniture And Equipment	14,891	407,978	4.34%	56	Apparel and Accessory Stores	11,222	354,343	4.84%
56	Apparel and Accessory Stores	10,252	280,888	2.99%	48	Communication	8,670	273,761	3.74%
		<u>\$ 276,248</u>	<u>\$ 7,568,483</u>	<u>80.44%</u>			<u>\$ 188,309</u>	<u>\$ 5,945,981</u>	<u>81.29%</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>
2023	3.650%	0.367%	4.500%
2022	3.650%	0.367%	4.500%
2021	3.650%	0.367%	4.500%
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%

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	
2023	\$ 32,610,265	\$ 3,587,488	17.78	\$ 5,129,178	\$ 512,918	17.78	\$ 576,967	\$ 183,360	17.78	\$ 38,316,410	\$ 4,283,766	17.78	11.2%
2022	30,858,261	3,394,748	20.44	4,727,402	472,740	20.44	562,085	178,631	20.44	36,147,748	4,046,119	20.44	11.2%
2021	30,015,930	3,302,083	17.78	4,616,033	461,603	17.78	546,358	173,632	17.78	35,178,321	3,937,318	17.78	11.2%
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%

Source: Tulsa County Assessor's Office

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

Year	Direct		Overlapping					Direct & Overlapping Combined
	General Fund	Sinking Fund	Schools	County	County Library	County Health	Total	
2023	\$ -	\$ 19.70	\$ 94.46	\$ 11.26	\$ 5.32	\$ 2.58	\$ 113.62	\$ 133.32
2022	-	20.44	92.37	11.36	5.32	2.58	111.63	132.07
2021	-	17.78	96.24	10.76	5.32	2.58	114.90	132.68
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

Source: Tulsa County Assessor's Office

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

Taxpayer	2023			2014		
	Taxable Assessed Valuation	Rank	% of Total Assessed Valuation	Taxable Assessed Valuation	Rank	% of Total Assessed Valuation
Public Service Co of Okla	\$ 84,200	1	1.85%	\$ 42,703	1	1.32%
FC Tulsa OK Landlord LLC	45,338	2	0.99%	-	-	n/a
AHS/VTR Hillcrest/Tulsa Spine	43,775	3	0.96%	34,697	2	1.07%
Oklahoma Natural Gas Co	36,835	4	0.81%	26,208	3	0.81%
Quik Trip Corp	28,359	5	0.62%	12,420	9	0.38%
Wal-Mart Stores	19,901	6	0.44%	18,082	5	0.56%
Weidner Apartment Homes	19,643	7	0.43%	-	-	n/a
Warren Foundation	18,847	8	0.41%	15,047	7	0.46%
Williams Companies	16,343	9	0.36%	13,755	8	0.42%
AT&T Companies/Services	16,322	10	0.36%	23,477	4	0.73%
Woodland Hills Mall	-	-	n/a	15,393	6	0.48%
Helmerich & Payne	-	-	n/a	11,074	10	0.34%
	<u>\$ 329,563</u>		<u>7.2%</u>	<u>\$ 212,856</u>		<u>6.6%</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
2023	\$ 84,385	\$ 81,556	96.6%	\$ 14,507	17.2%	\$ 83	\$ 81,639	96.7%
2022	82,702	80,400	97.2%	13,472	16.3%	1,442	81,842	99.0%
2021	70,015	69,440	99.2%	12,858	18.4%	206	69,646	99.5%
2020	84,302	81,511	96.7%	13,965	16.6%	2,629	84,140	99.8%
2019	81,738	79,388	97.1%	12,516	15.3%	2,215	81,603	99.8%
2018	79,507	78,011	98.1%	11,684	14.7%	1,395	79,406	99.9%
2017	72,915	71,528	98.1%	11,712	16.1%	1,323	72,851	99.9%
2016	75,781	74,030	97.7%	11,352	15.0%	1,692	75,722	99.9%
2015	69,329	66,943	96.6%	11,747	16.9%	2,320	69,263	99.9%
2014	64,050	62,019	96.8%	11,206	17.5%	1,936	63,955	99.9%

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 ⁽²⁾				Business Type Activities Debt ⁽²⁾			Total Primary Government ⁽²⁾	Percentage of Personal Income	Per Capita
	Net General Bonded Debt ⁽¹⁾	Revenue Bonds, Net ⁽¹⁾	Lease ⁽³⁾	Total Governmental Activities	Revenue Bonds, Net ⁽¹⁾	Lease ⁽³⁾	Total Business Type Activities			
2023	\$ 383,803	\$ 234,913	\$2,957	\$ 621,673	\$ 100,595	\$ 376	\$ 100,971	\$ 722,644	2.72%	1,735
2022	403,381	283,798	5,748	692,927	97,946	520	98,466	791,393	3.09%	1,896
2021	354,565	332,466	5,087	692,118	103,752	-	103,752	795,870	3.35%	1,962
2020	418,266	347,270	6,437	771,973	109,409	-	109,409	881,382	3.82%	2,178
2019	393,772	236,876	968	631,616	87,799	-	87,799	719,415	2.69%	1,773
2018	452,062	121,142	-	573,204	91,788	-	91,788	664,992	2.86%	1,628
2017	508,323	123,380	-	631,703	92,493	-	92,493	724,196	2.96%	1,793
2016	480,703	5,908	-	486,611	95,747	-	95,747	582,358	2.79%	1,445
2015	468,293	7,381	-	475,674	98,807	-	98,807	574,481	2.77%	1,427
2014	447,465	8,856	-	456,321	103,316	-	103,316	559,637	2.81%	1,398

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.
3. On July 1, 2021, GASB Statement No. 87 was implemented. Prior years were not restated.

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

Year	Population	Net Assessed Property Value ⁽¹⁾	General Bonded Debt ⁽²⁾	Plus: Premiums	Less: Amounts Restricted for Debt Service ⁽³⁾	Net General Bonded Debt	Ratio of Net Bonded Debt To Assessed Value	Net Bonded Debt Per Capita (In dollars)
2023	416,608	\$ 4,283,766	\$ 374,476	\$ 9,327	\$ 58,300	\$ 325,503	7.60%	\$ 781
2022	417,298	4,046,119	391,774	11,607	63,978	339,403	8.39%	813
2021	405,548	3,937,318	341,062	13,503	48,788	305,777	7.77%	754
2020	404,653	3,811,633	399,244	19,022	42,357	375,909	9.86%	929
2019	405,785	3,692,094	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	3,439,724	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

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, 2023
(amounts expressed in thousands)

<u>Debts</u>	<u>Total Debt Outstanding</u>	<u>Estimated Percentage Applicable to City of Tulsa</u>	<u>Estimated Share Applicable to City of Tulsa</u>
Direct Debt			
General obligation bonds ⁽¹⁾	\$ 383,803	100.00%	\$ 383,803
Revenue bonds ⁽¹⁾	234,913	100.00%	234,913
Lease liability ⁽²⁾	2,957	100.00%	2,957
Total Net Direct Debt			<u>621,673</u>
Overlapping Debt⁽²⁾			
Independent School Districts:			
No. 1 Tulsa	207,708	91.87%	190,824
No. 3 Broken Arrow	99,170	12.48%	12,377
No. 4 Bixby	40,900	10.12%	4,141
No. 5 Jenks	92,809	72.23%	67,034
No. 9 Union	85,980	75.33%	64,765
No. 10 Berryhill	3,172	1.12%	36
No. 11 Owasso	63,890	0.08%	52
Total Overlapping Debt			<u>339,229</u>
Total Net Direct and Overlapping Debt			<u>\$ 960,902</u>

Notes:

1. Outstanding debt balances are reported net of related discounts and premiums.
2. Source: Tulsa County Assessor's Office
Ratio of assessed valuation of property within the overlapping unit to assessed valuation of property within the City of Tulsa
3. On July 1, 2021, GASB Statement No. 87 was implemented. Prior years were not restated.

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Debt limit ⁽¹⁻²⁾	\$ 428,377	\$ 404,612	\$ 393,732	\$ 381,163	\$ 369,209	\$ 354,310	\$ 342,349	\$ 332,542	\$ 323,061	\$ 316,453
Total net debt subject to limit ⁽³⁾	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 428,377	\$ 404,612	\$ 393,732	\$ 381,163	\$ 369,209	\$ 354,310	\$ 342,349	\$ 332,542	\$ 323,061	\$ 316,453
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	
2023	\$ 10,758	\$ 10,758	\$ 2,405	\$ 1,664	\$ 4,069	2.64
2022	11,207	11,207	2,340	1,735	4,075	2.75
2021	10,023	10,023	2,285	1,804	4,089	2.45
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

Notes:

1. The bonds were issued in 2008, and repayment is the responsibility of TPFA's One Technology Center fund.
2. Gross revenues includes lease revenues derived from the operation of the OTC facility along with other revenues of including investment income, interest on lease receivables, and 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	
2023	\$ 1,386	\$ 855	\$ 248	\$ 1,103	1.26
2022	1,386	975	307	1,282	1.08
2021	1,386	900	362	1,262	1.10
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

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	
2023	\$ 2,897	\$ 650	\$ 2,247	\$ 735	\$ 867	\$ 1,602	1.40
2022	2,672	536	2,136	710	891	1,601	1.33
2021	2,387	318	2,069	685	912	1,597	1.30
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

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 Four Years
(amounts expressed in thousands)

Year	Gross Revenue	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2023	\$ 89,735	\$ 44,175	\$ 10,641	\$ 54,816	1.64
2022	81,227	42,665	12,609	55,274	1.47
2021	44,678	13,535	13,057	26,592	1.68
2020	33,191	13,895	11,159	25,054	1.32
2019	33,912	7,030	5,715	12,745	2.66

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 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
2023	416,608	\$ 65,928	\$ 63,752	35.6	87.9%	3.1%
2022	417,298	62,389	61,405	35.2	87.8%	3.4%
2021	405,548	58,913	58,593	35.7	87.1%	4.6%
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%

Sources:

Population: 2010 & 2020 Census

Forecast (2022-2023): Worldpopulationreview

Forecast (2014-2021): Extrapolation using various year Experian series and Growth Projection

Personal Income: Bureau of Economic Analysis to 2021

Forecast (2023): 10 Year Growth Average

Per Capita Personal Income: Bureau of Economic Analysis to 2021, via St. Louis FRED

Forecast (2023): 10 Year Growth Average

Median Age: 2000 & 2010 Census

Forecast (2023): US Census 2020 ACS 5-Year Survey (Table S0101) & Worldpopulationreview

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

Forecast (2023): US Census 2020 ACS 5-Year Survey (Table S1501)

Unemployment Rate: Bureau of Labor Statistics (12 month moving average closing June 30, 2023)

CITY OF TULSA
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

Employer	2023			2014		
	Employees	Rank	Percentage of Total MSA Employment	Employees	Rank	Percentage of Total MSA Employment
Saint Francis Healthcare System	11,000	1	1.05%	8,000	1	1.87%
Hillcrest Healthcare System	6,500	2	0.62%	6,000	6	1.40%
Tulsa Public Schools	5,000	3	0.48%	7,500	3	1.75%
American Airlines Maintenance Base	5,000	4	0.48%	7,500	4	1.75%
Ascension St. John	4,500	5	0.43%	7,500	5	1.75%
City of Tulsa	3,500	6	0.34%	4,500	7	1.05%
Amazon Fulfillment Center	3,000	7	0.29%	-	-	-
QuikTrip	3,000	8	0.29%	-	-	-
AAON, Inc.	2,500	9	0.24%	-	-	-
Broken Arrow Public Schools	2,500	10	0.24%	-	-	-
Wal-Mart/Sam's Club	-	-	-	7,500	2	1.75%
Reasor's (all Tulsa area locations)	-	-	-	3,000	8	0.70%
Spirit AeroSystems	-	-	-	3,000	9	0.70%
Tulsa Community College	-	-	-	2,500	10	0.58%
	<u>46,500</u>		<u>4.46%</u>	<u>57,000</u>		<u>13.30%</u>

Notes:

1. **Source:** Tulsa Metro Chamber
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 as of 12/31/2022 and 12/31/2013.
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

Departments	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Public Safety and Protection:										
Police	1,182	1,168	1,161	1,127	1,108	1,048	1,008	977	971	997
Municipal Courts	42	40	40	40	40	39	39	41	41	46
Fire	743	743	760	760	760	735	715	695	694	696
	<u>1,967</u>	<u>1,951</u>	<u>1,961</u>	<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>
Cultural Development and Recreation:										
Park & Recreation	175	172	168	168	168	168	170	173	176	195
Tulsa Performing Arts Center	-	1	1	1	31	31	31	31	30	30
	<u>175</u>	<u>173</u>	<u>169</u>	<u>169</u>	<u>199</u>	<u>199</u>	<u>201</u>	<u>204</u>	<u>206</u>	<u>225</u>
Social and Economic Development:										
Mayor's Office of Economic Development	-	-	14	14	11	10	9	11	9	-
Development Services	72	70	69	69	79	79	79	87	88	115
Working in Neighborhoods	83	80	82	80	65	69	69	67	67	75
	<u>155</u>	<u>150</u>	<u>165</u>	<u>163</u>	<u>155</u>	<u>158</u>	<u>157</u>	<u>165</u>	<u>164</u>	<u>190</u>
Public Works and Transportation:										
Engineering Services	166	156	156	155	155	144	144	145	146	162
Streets and Stormwater	377	365	364	360	349	346	328	312	357	375
Water and Sewer	670	669	666	669	664	661	657	655	648	646
Airports	-	-	-	-	-	-	-	-	-	157
	<u>1,213</u>	<u>1,190</u>	<u>1,186</u>	<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>
General Government and Support:										
Finance	161	160	160	158	166	156	158	163	157	170
Information Technology	122	119	119	121	118	116	116	119	119	143
Customer Care	57	46	46	46	46	46	46	46	46	47
Asset Management	132	132	132	130	130	136	136	137	111	79
All Other	138	132	128	124	134	135	129	131	131	142
	<u>610</u>	<u>589</u>	<u>585</u>	<u>579</u>	<u>594</u>	<u>589</u>	<u>585</u>	<u>596</u>	<u>564</u>	<u>581</u>
	<u>4,120</u>	<u>4,053</u>	<u>4,066</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>

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 Eight Years

Function/Program	2023	2022	2021	2020	2019	2018	2017	2016	2015
<u>Public Safety & Protection</u>									
Municipal Court									
1 . Percent of expunges completed within 30 days of the order date signed by the judge.	85%	70%	75%	75%	75%	65%	40%	75%	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).	70%	85%	85%	85%	85%	75%	50%	80%	New Measure
3 . Percent of hand written citations entered within 24 hours of receipt from the prosecutor's office.	85%	80%	90%	90%	90%	75%	55%	90%	New Measure
Police									
1 . Percent reduction in Part One crimes over previous year.	12.9% decrease	5.3% decrease	0.5% decrease	2.3% decrease	2.6% decrease	7.0% increase	2.4% increase	15.37% decrease	3.6% decrease
2 . Part I Property crime rate per 1,000 population.	42.11	49.15	51	51.32	53.73	56.18	56.18	57.55	50.25
3 . Part I Violent crime rate per 1,000 population.	8.8	9.35	10.52	10.53	11.42	10.59	11.51	10.1	8.69
4 . Percent reduction in fatality/high injury collisions over previous year.	15.9% decrease	5.5% decrease	3.2% decrease	19.3% increase	5.8% increase	5.1% increase	5.1% increase	12.8% decrease	13.9% decrease
5 . Percent increase in Priority One calls responded to in three minutes or less.	0.9% increase	0.8% increase	1.3% decrease	1.9% increase	0.9% increase	0.0% decrease	2.2% increase	5.5% decrease	0.3% increase
Fire									
1 . Percent of arrival on scene from receipt of call within six minutes.	81%	79%	77%	81%	81%	91%	91%	85%	86%
2 . Percent of reduction of firefighter injuries from previous year.	4%	0%	9%	0%	0%	20%	16%	0%	33%
<u>Culture and Recreation</u>									
Parks									
1 . Average number of hours Recreation Centers were open on a weekly basis.	56*	56*	55*	63.2*	63.2*	65	65	65	New Measure
2 . Number of exercise programs held per quarter at each recreation center.	48	48	43	48	48	44.25	42	25	New Measure
Gilcrease Museum									
1 . Number of school-aged children receiving services per year.	3,626	9,157	4,568	15,693	15,693	27,993	29,267	35,326	35,326
2 . Number of visitors attracted annually.	98,306	92,408	16,807	85,563	85,563	86,208	76,366	72,100	81,384
Performing Arts Center									
1 . Number of performances per year.	860	703	34	327	327	310	381	555	505
2 . Dollar amount of gross ticket sales.	\$16.9 million	\$7.4 million	\$0.1 million	\$12.8 million	\$12.8 million	\$9.5 million	\$9.2 million	\$7.5 million	\$7.9 million
BOK Arena and Convention Center									
1 . Number of paid attendance to event centers per year.	981,359	747,383	136,373	947,640	947,640	990,293	1,040,742	1,057,590	1,126,758
2 . Gross ticket sales per year.	\$33,509,509	\$27,065,524	\$1,280,983	\$29,519,049	\$29,519,049	\$29,418,993	\$25,841,977	\$16,902,142	\$25,212,936
3 . Number of attended events scheduled and serviced annually.	687	422	380	252	252	242	295	609	600

Continued

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

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

Function/Program	2023	2022	2021	2020	2019	2018	2017	2016	2015
Continued									
<u>Social & Economic Development</u>									
Mayor's Office of Economic Development									
1 . Number of Commerical Permits issued.	739	1,274	897	1,076	1,076	1,335	1,455	1,397	New Measure
Working In Neighborhoods									
1 . Average number of housing rehabilitations per month.	15	25	18	4	4	24	27	23	23
2 . Average number of housing demolitions per month.	6	33	29	41	41	4	25	32	32
3 . Average number of voluntary compliance of code violations per month.	327	940	1,040	940	940	1,064	1,200	1,100	1,100
4 . Percent reduction of animals euthanized at Tulsa Animal Welfare (TAW).	68% increase	2% decrease	8% increase	6% increase	6% increase	7% decrease	15% decrease	15% decrease	12% decrease
5 . Percent increase of live exits of animals from TAW.	5% decrease	6% increase	8% increase	4% increase	4% increase	5% increase	10% increase	10% increase	12% increase
Planning and Economic Development									
1 . Average number of working days for plans review.	10	11	18	11	11	9	10	10	9
2 . Average number of calendar days to issue permits for commercial projects under \$1 million.	45	8	14	34	34	45	33	30	41
Continued									

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

Function/Program	2023	2022	2021	2020	2019	2018	2017	2016	2015
Continued									
<u>Public Works & Transportation</u>									
Engineering Services									
1 . Percent of capital projects designed, right-of-way easements acquired and utilities relocated within scheduled time frames.	47%	56%	63%	52%	52%	83%	58%	51%	62%
2 . Percent of capital projects constructed within scheduled time frames.	95%	92%	92%	93%	93%	100%	86%	97%	85%
3 . Percent of capital projects completed within appropriated budgets.	100%	100%	100%	100%	100%	100%	100%	100%	100%
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.	0.8%	0.7%	3.0%	1.2%	1.2%	2.4%	1.2%	8.0%	4.0%
5 . Percent of bid advertisements posted and updated in all locations.	100%	100%	100%	100%	100%	100%	100%	100%	100%
Streets and Stormwater									
1 . Average number of minutes it takes to respond to emergency street repair requests.	36 minutes	30 minutes	35 minutes	55 minutes	55 minutes	37 minutes	56 minutes	41 minutes	34 minutes
2 . Average response time to traffic signal trouble call.	41 minutes	48 minutes	36 minutes	47 minutes	47 minutes	46 minutes	52 minutes	45 minutes	New Measure
3 . Average number of minutes it takes to respond to stormwater emergencies.	17 minutes	21 minutes	43 minutes	95 minutes	95 minutes	23 minutes	46 minutes	58 minutes	32 minutes
4 . Percent of verified missed collections of refuse and recycling services.	<1%	0.07%	0.1%	<5%	<5%	<5%	<5%	0.8%	<1%
Water and Sewer									
1 . Percent of customer service demand for treated water.	100%	100%	100%	100%	100%	100%	100%	100%	100%
2 . Drinking water compliance rate (number of days in full compliance divided by 365 days).	100%	100%	100%	100%	100%	100%	100%	100%	100%
3 . Average number hours for water off per customer during emergency repairs.	5.14	5.03	15.9	5.65	5.65	6.18	5.3	4.83	5.11
4 . Percent of on-site responses to sanitary sewer stoppage and overflow calls within two hours.	99.0%	97.82%	98.6%	94.7%	94.7%	99.1%	99.9%	98.0%	98.0%
Metropolitan Tulsa Transit Authority									
1 . Number of fixed route accidents per 100k miles.	43	30	47	36	36	41	38	New Measure	New Measure
2 . Number of lift program accidents per 100k miles.	34	28	29	9	9	17	10	New Measure	New Measure
3 . Number of fixed route passengers per hour.	16	9	8	15	15	15	16	16	16
4 . Number of lift program passengers per hour.	2	2	2	2	2	2	2	2	2

Continued

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

Function/Program	2023	2022	2021	2020	2019	2018	2017	2016	2015
Continued									
Administrative and Support Services									
Elected Officials									
1 . Direct Staff time (Target 75%)	82%	83%	78%	73%	73%	74%	67%	New Measure	New Measure
2 . Audit reports issued (Target 10)	10	13	New Measure	New Measure	New Measure	New Measure	New Measure	New Measure	New Measure
Legal Department									
1 . Percent of reviews for prosecutions completed within two working days.	100%	100%	100%	100%	100%	100%	100%	100%	100%
2 . Percent of contracts completed within ten business days.	99%	100%	97%	92%	92%	95%	94%	93%	93%
Finance Department									
1 . Basis points over the treasury bill rate.	0	19	47	41	41	1	75	98	86
2 . City's Standard and Poor bond rating.	AA	AA	AA	AA	AA	AA	AA	AA	AA
3 . City's Moody's Investor Service bond rating.	Aa ¹	Aa ¹	Aa ¹	Aa ¹	Aa ¹	Aa ¹	Aa ¹	Aa ¹	Aa ¹
Information Technology									
1 . Annual and quarterly customer service rating (1-5).	4.8	4.8	4.8	4.4	4.4	4.5	4.5	4.0	4.9
2 . Percent of IT service tickets open past 30 days.	4.4%	0.1%	2%	5%	5%	11%	8%	16%	2%
3 . First contact resolution rate.	78%	67%	59%	52%	52%	42%	47%	31%	47%
Customer Care									
1 . Percent of calls answered within 45 seconds.	26%	25%	44%	66%	66%	48%	47%	52%	56%
2 . Average call abandonment percentage.	36%	68%	24%	8%	8%	16%	17%	16%	16%
Asset Management Department									
1 . Percent of designated fleet availability.	92%	92%	93%	94%	94%	93%	93%	93%	93%
2 . Percent of parking meters that are operational per year.	97%	100%	100%*	100%*	100%*	69%	77%	85%	85%
3 . Percent of uptime for parking system.	92%	93%	New Measure	New Measure	New Measure	New Measure	New Measure	New Measure	New Measure
4 . Percent of direct labor hours dedicated to parking meter enforcement per year.	95%	96%	93%	94%	94%	80%	77%	75%	100%

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
2023	6.38	4.31	9.95	10.02
2022	6.38	4.31	8.80	9.36
2021	6.38	4.31	8.52	9.06
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

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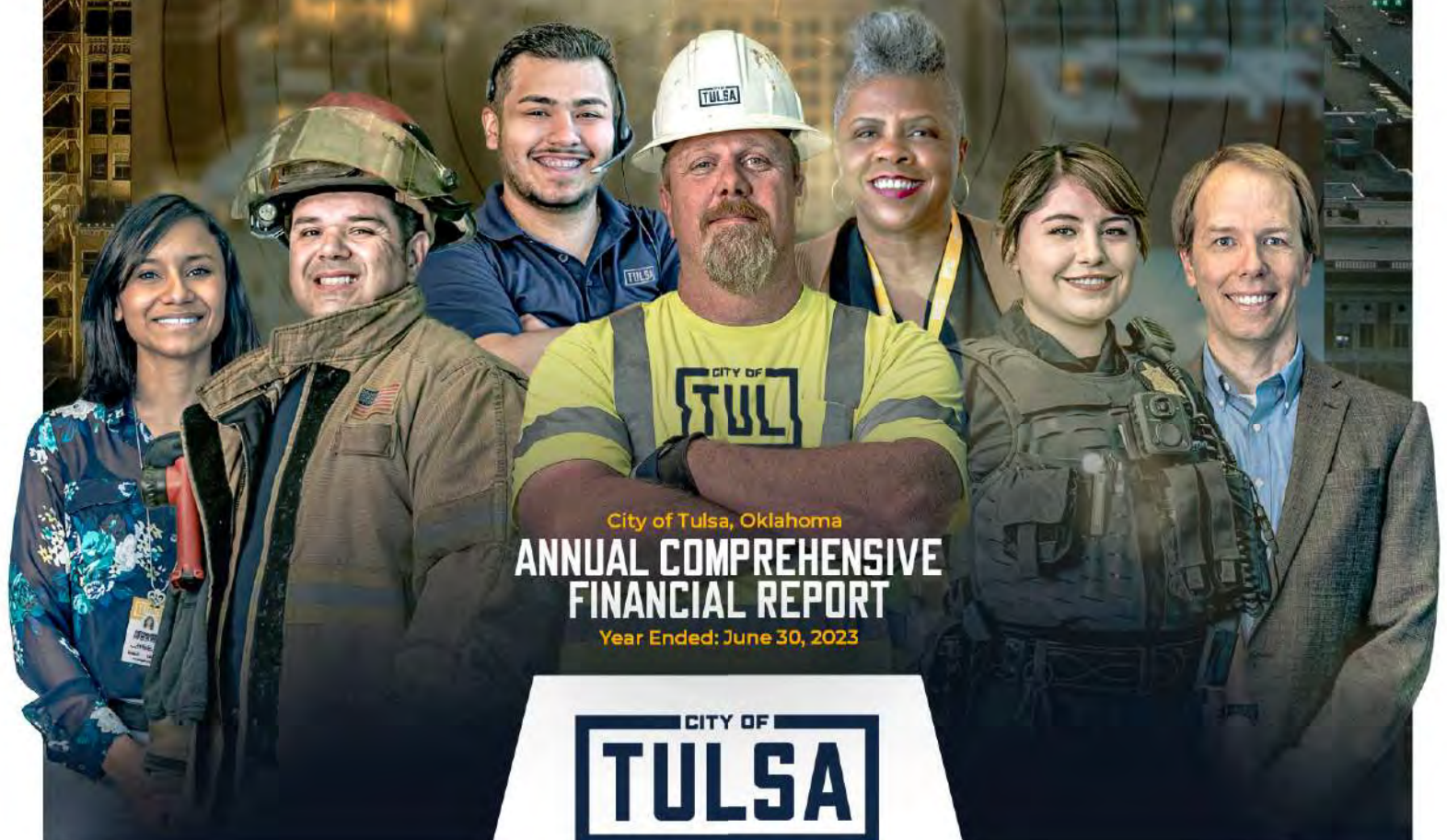
PUBLIC SERVICE

Appendix

APPENDIX OF ABBREVIATIONS

USA

TUL



City of Tulsa, Oklahoma

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended: June 30, 2023



APPENDIX OF ABBREVIATIONS

(Occasionally used throughout this report)

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

PUBLIC SERVICE

USA

TUL

City of Tulsa, Oklahoma
**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**
Year Ended: June 30, 2023



EXHIBIT “B”

**BASIC FINANCIAL STATEMENTS OF THE TULSA PUBLIC FACILITIES AUTHORITY
FOR THE YEAR ENDED JUNE 30, 2023**

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

FINANCIAL REPORT
June 30, 2023

TULSA PUBLIC FACILITIES AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
INDEX
June 30, 2023

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Independent Auditor's Report

Board of Trustees
Tulsa Public Facilities Authority

Opinions

We have audited the financial statements of the business-type activities, each major fund and the aggregate remaining fund information of the Tulsa Public Facilities Authority (the Authority), a component unit of the City of Tulsa, Oklahoma, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, each major fund and the aggregate remaining fund information of the Authority, as of June 30, 2023, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Authority 's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority 's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, and pension and other postemployment benefit information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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

Management is responsible for the other information included in the annual report. The other information comprises the debt compliance information but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

RSM US LLP

Kansas City, Missouri
December 11, 2023

TULSA PUBLIC FACILITIES AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
June 30, 2023

As management of the Tulsa Public Facilities Authority (the “Authority”), a blended component unit of the City of Tulsa (the “City”), we offer readers of the Authority’s financial statements this narrative overview and analysis of the financial activities of the Authority for the year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with the Authority’s financial statements, which begin on page nine. All dollar amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- The assets and deferred outflows of resources of the Authority exceeded its liabilities and deferred outflows at the close of the current year by \$196,625. Of this amount, \$171,565 is the net investment in capital assets, \$1,503 is restricted for debt service, \$3,599 is restricted for capital projects, and \$19,958 is unrestricted and may be used to meet the Authority’s ongoing obligations.
- The Authority’s net position decreased \$136 to \$196,625 as of June 30, 2023.
- The Authority’s total assets decreased by \$40,484 as of June 30, 2023.
- The Authority’s total liabilities decreased by \$31,554 as of June 30, 2023.
- The Authority’s operating revenues increased by \$7,280 for the year ended June 30, 2023.

Overview of the Financial Statements

The Authority, a legally separate public trust, is reported by the City as a blended component unit. As such, the activities of the Authority are reported in various enterprise funds and internal service funds within the City’s Annual Comprehensive Financial Report. The primary functions of the Authority are to issue revenue bonds, the proceeds of which may be loaned to the City or one of its component units and use bond proceeds to acquire, construct and ultimately lease governmental facilities to the City or one of its component units. The Authority also leases commercial office space to the City and private sector companies and manages the One Technology Center (“OTC”), the BOK Center, and the Cox Business Convention Center facilities (“CBCC”).

This discussion and analysis are intended to serve as an introduction to the Authority’s basic financial statements. The basic financial statements include: 1) Statement of Net Position, 2) Statement of Revenues, Expenses, and Changes in Net Position, 3) Statement of Cash Flows, and 4) Notes to the Financial Statements.

Financial Statements

The Authority uses fund accounting in its financial statements to demonstrate compliance with finance related legal requirements. 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 Authority has one fund type, proprietary, and reports four enterprise funds. Enterprise funds are used to report functions presented as business-type activities. The financial statements of the Authority report information using accounting methods similar to those used by private sector companies. These statements offer short and long-term financial information about its activities.

TULSA PUBLIC FACILITIES AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
June 30, 2023

The Statement of Net Position includes all of the Authority's assets, liabilities and deferred outflows/inflows of resources and provides information about the nature and amounts of investments in resources (assets) and the obligations to creditors (liabilities). It also provides the basis for assessing the liquidity and financial flexibility of the Authority.

All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position. This statement measures the financial success of the Authority's operations over the past year and can be used to determine whether the Authority has successfully recovered all its costs through its user fees and other charges, profitability, and credit worthiness.

The third financial statement is the Statement of Cash Flows. The primary purpose of this statement is to provide information about the Authority's cash receipts and cash payments during the reporting period. This statement allows financial statement users to assess whether the Authority's current cash flows are sufficient to pay its obligations. The statement reports cash receipts, cash payments, and changes in cash resulting from operating, investing, noncapital financing and capital financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the period. The notes to the financial statements provide additional information necessary for a full and complete understanding of the data provided in the financial statements.

Net Position

The Authority's net position decreased \$136 to \$196,625 at June 30, 2023. The following table provides a summary of net position:

SUMMARY OF NET POSITION

	2023	2022	Dollar Change	Percent Change
Current assets	\$ 117,466	\$ 96,713	\$ 20,753	21.5%
Capital assets, net	222,997	232,789	(9,792)	(4.2%)
Other assets	267,159	318,604	(51,445)	(16.1%)
Total assets	607,622	648,106	(40,484)	(6.2%)
Deferred outflow of resources	850	773	77	10.0%
Current liabilities	81,422	69,380	12,042	17.4%
Noncurrent liabilities	272,149	315,745	(43,596)	(13.8%)
Total liabilities	353,571	385,125	(31,554)	(8.2%)
Deferred inflow of resources	58,276	66,993	(8,717)	(13.0%)
Net investment in capital assets	171,565	178,114	(6,549)	(3.7%)
Restricted	5,102	8,291	(3,189)	(38.5%)
Unrestricted	19,958	10,356	9,602	92.7%
Net position	\$ 196,625	\$ 196,761	\$ (136)	(0.1%)

Current assets increased \$20,753 primarily due to an increase in cash and cash equivalents from increased ticket sales at the BOK Center and CBCC and 2023 Stormwater bond issuance. Other assets decreased \$51,445 primarily due to a \$42,492 decrease in cash and cash equivalents as bond proceeds are advanced to the City offset by payments from the City on advances and a \$7,976 decrease in lease receivables as monthly lease payments received. Noncurrent liabilities decreased \$43,596, primarily due to regularly scheduled debt payments.

TULSA PUBLIC FACILITIES AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
June 30, 2023

SUMMARY OF CHANGES IN NET POSITION

	<u>2023</u>	<u>2022</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Operating revenues	\$ 38,623	\$ 31,343	\$ 7,280	23.2%
Nonoperating revenues	<u>7,169</u>	<u>3,964</u>	<u>3,205</u>	80.9%
Total revenues	<u>45,792</u>	<u>35,307</u>	<u>10,485</u>	29.7%
Operating expenses	44,482	41,049	3,433	8.4%
Nonoperating expenses	<u>2,184</u>	<u>2,022</u>	<u>162</u>	8.0%
Total expenses	<u>46,666</u>	<u>43,071</u>	<u>3,595</u>	8.3%
Income (loss) before contributions	(874)	(7,764)	6,890	(88.7%)
Capital contributions	-	(4,500)	4,500	(100.0%)
Contributions from the City	<u>738</u>	<u>115</u>	<u>623</u>	541.7%
Change in net position	(136)	(12,149)	12,013	98.9%
Net position, beginning of year	196,761	209,307	(12,546)	(6.0%)
Restatement	<u>-</u>	<u>(397)</u>	<u>397</u>	100.0%
Net position, beginning of year as restated	196,761	208,910	(12,149)	(5.8%)
Net position, end of year	<u>\$ 196,625</u>	<u>\$ 196,761</u>	<u>\$ (136)</u>	(0.1%)

In 2023, the Authority's operating revenues increased \$7,280 or 23.2% due primarily to increases in facilities revenue at the BOK Center and CBCC related to a greater number of events during 2023.

In 2023, the Authority's nonoperating revenues increased \$3,205 or 80.9% due primarily to increases in investment income.

In 2023, the Authority's operating expenses increased \$3,433 or 8.4% due primarily to increased events including higher staffing and supplies costs at the BOK Center and CBCC.

Capital contributions decreased \$4,500 primarily due to a one-time land contribution to the City in 2022.

TULSA PUBLIC FACILITIES AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
June 30, 2023

Capital Assets

The Authority's investment in capital assets as of June 30, 2023 was \$222,997 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, parking garage, leasehold improvements, and artwork. Construction-in-progress increased related to data and phone cabling improvements in OTC and audio equipment improvements in the BOK Center. Buildings increased related to air handling improvements in the BOK Center and CBCC. Equipment increases related to office furniture and maintenance in OTC.

CAPITAL ASSETS

	<u>2023</u>	<u>2022</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Land	\$ 12,937	\$ 12,937	\$ -	0.0%
Artwork	1,128	1,128	-	0.0%
Construction-in-progress	108	1	107	100.0%
Land improvements	50,867	50,867	-	0.0%
Buildings	307,326	306,600	726	0.2%
Parking garage	4,273	4,273	-	0.0%
Equipment	44,031	42,544	1,487	3.5%
	<u>420,670</u>	<u>418,350</u>	<u>2,320</u>	<u>0.6%</u>
Less accumulated depreciation	<u>(197,673)</u>	<u>(185,561)</u>	<u>(12,112)</u>	<u>6.5%</u>
Capital assets, net	<u>\$ 222,997</u>	<u>\$ 232,789</u>	<u>\$ (9,792)</u>	<u>(4.2%)</u>

Noncurrent Liabilities

The Authority's debt outstanding decreased \$41,190 to \$310,850 at June 30, 2023. The change is primarily a result of the regular principal payments. More detailed information about the Authority's debt is presented in Note 9.

OUTSTANDING DEBT

	<u>2023</u>	<u>2022</u>	<u>Dollar Change</u>	<u>Percent Change</u>
One Technology Center:				
Series 2017A Refunding	\$ 34,185	\$ 34,185	\$ -	0.0%
Series 2017B Refunding	16,200	18,605	(2,405)	(12.9%)
	<u>50,385</u>	<u>52,790</u>	<u>(2,405)</u>	
BOK Center and CBCC:				
Series 2008	3,235	4,090	(855)	(20.9%)
Financing Funds:				
Series 2017	78,805	86,410	(7,605)	(8.8%)
Series 2018	92,795	99,830	(7,035)	(7.0%)
Series 2019	54,395	83,930	(29,535)	(35.2%)
Series 2020	19,785	21,265	(1,480)	(7.0%)
Series 2021	3,125	3,725	(600)	(16.1%)
Series 2023	8,325	-	8,325	100.0%
	<u>257,230</u>	<u>295,160</u>	<u>(37,930)</u>	
Total debt	<u>\$ 310,850</u>	<u>\$ 352,040</u>	<u>\$ (41,190)</u>	<u>(11.7%)</u>

TULSA PUBLIC FACILITIES AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
June 30, 2023

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Authority's appointed officials considered many factors when setting the 2024 budget and fees charged for business-type activities. Lease revenues are governed by rates negotiated in long-term leases. Event revenues are uncertain based on the venue and type of event.

At the national level, unemployment remained 3.6% at the end of fiscal year 2023, consistent with last year. Unemployment in the Tulsa Metro was below the national level during fiscal year 2023. The unemployment rate in the Tulsa Metro was 3.0% at the end of fiscal year 2023 compared to 3.5% at the end of fiscal year 2022. The Authority continues to have consistent accounts receivable collections.

Office space vacancy rates in the City decreased from 16.8% to 16.1% between July 2022 to June 2023. The commercial real estate leasing environment in Tulsa slightly increased over the course of the year. There has been a flight to quality space as businesses compete for new talent. Tulsa office vacancy outperformed the overall U.S. rate of 18.2% and holds an average employee "return to office" rate higher than many peer downtown office utilization rates.

The BOK Center continues to maintain its status as one of the world's busiest concert venues. In 2023, the BOK Center was ranked #20 in the United States and #29 in the World on Billboard Box Score Top Venue Report.

Requests for Information

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Tulsa, Office of the Controller, 175 East Second Street, Suite 1570, Tulsa, Oklahoma 74103.

One Technology Center	BOK Center and CBCC	Advance		Stormwater		Financing		Business-Type Activities Total
		Funding Sales	Revenue	Parking	Bonds Project			
		Tax Projects	Bonds Project					

Cash and cash equivalents	\$	6,010	\$	14,145	\$	-	\$	-	\$	6	\$	20,161
Cash and cash equivalents, restricted		1,616		27,165		11,788		576		168		41,313
Interest receivable		43		15		299		52		1		410
Accounts receivable, net		293		1,801		-		-		-		2,094
Lease receivable		4,440		-		-		-		-		4,440
Advance to City		-		-		45,852		1,783		-		47,635
Advance to related entity		-		-		-		-		611		611
Prepaid expenses		-		188		-		-		-		188
Inventory		-		614		-		-		-		614

Cash and cash equivalents, restricted	4,609	1,652	73,071	14,223	-	93,555
Advance to City	-	-	103,408	12,533	-	115,941
Advance to related entity	-	-	-	-	2,400	2,400
Lease receivable	55,263	-	-	-	-	55,263
Nondepreciable capital assets	4,169	10,004	-	-	-	14,173
Depreciable capital assets, net	36,340	172,484	-	-	-	208,824
Total assets	\$ 112,783	\$ 228,068	\$ 234,418	\$ 29,167	\$ 3,186	\$ 607,622

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TULSA PUBLIC FACILITIES AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
STATEMENT OF NET POSITION (continued)
June 30, 2023

(in thousands of dollars)						
	One Technology Center	BOK Center and CBCC	Financing-Advance Funding Sales Tax Projects	Financing-Stormwater Revenue Bonds Project	Nonmajor - Financing Parking Bonds Project	Business-Type Activities Total
<u>LIABILITIES</u>						
Current liabilities:						
Accounts payable and accrued expenses	\$ 1,437	\$ 3,706	\$ -	\$ -	\$ -	\$ 5,143
Retainage payable	5	-	-	-	-	5
Unearned revenue	72	7,884	-	-	-	7,956
Advance ticket sales	-	17,299	-	-	-	17,299
Accrued bond interest payable	136	49	1,352	213	11	1,761
Current portion of revenue bonds	2,475	515	43,835	1,775	610	49,210
Current portion of other long-term liabilities	48	-	-	-	-	48
	<u>4,173</u>	<u>29,453</u>	<u>45,187</u>	<u>1,988</u>	<u>621</u>	<u>81,422</u>
Noncurrent liabilities:						
Deposits subject to refunds	40	-	-	-	-	40
Unearned revenue	-	417	-	-	-	417
Revenue bonds payable, net of current portion	47,910	2,720	182,160	26,335	2,515	261,640
Unamortized premium	788	-	5,908	885	50	7,631
Unamortized discount	(336)	-	(165)	(41)	-	(542)
Other long-term liabilities, net of current portion	1,635	-	1,328	-	-	2,963
	<u>50,037</u>	<u>3,137</u>	<u>189,231</u>	<u>27,179</u>	<u>2,565</u>	<u>272,149</u>
Total liabilities	<u>\$ 54,210</u>	<u>\$ 32,590</u>	<u>\$ 234,418</u>	<u>\$ 29,167</u>	<u>\$ 3,186</u>	<u>\$ 353,571</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Lease related	\$ 57,815	\$ -	\$ -	\$ -	\$ -	\$ 57,815
Deferred gain on refunding	396	-	-	-	-	396
Pension related amounts	56	-	-	-	-	56
Other postemployment benefit related amounts	9	-	-	-	-	9
Total deferred inflows of resources	<u>\$ 58,276</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58,276</u>
<u>NET POSITION</u>						
Net investment in capital assets	(9,312)	180,877	-	-	-	171,565
Restricted for:						
Debt service	1,503	-	-	-	-	1,503
Capital projects	3,599	-	-	-	-	3,599
Unrestricted	5,357	14,601	-	-	-	19,958
Total net position	<u>\$ 1,147</u>	<u>\$ 195,478</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 196,625</u>

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

TULSA PUBLIC FACILITIES AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Year Ended June 30, 2023

(in thousands of dollars)						
	One Technology Center	BOK Center and CBCC	Financing-Advance Funding Sales Tax Projects	Financing-Stormwater Revenue Bonds Project	Nonmajor - Financing Parking Bonds Project	Business-Type Activities Total
Operating revenues:						
Lease revenue	\$ 7,764	\$ -	\$ -	\$ -	\$ -	\$ 7,764
Facilities revenue	-	24,470	-	-	-	24,470
Sponsorship and naming rights revenue	-	1,386	-	-	-	1,386
Parking facilities revenue	769	-	-	-	-	769
Advance/loan investment income	-	-	3,868	272	18	4,158
Other	30	46	-	-	-	76
	<u>8,563</u>	<u>25,902</u>	<u>3,868</u>	<u>272</u>	<u>18</u>	<u>38,623</u>
Operating expenses:						
Personal services	1,478	-	-	-	-	1,478
Materials and supplies	127	1,202	-	-	-	1,329
Facility operator services	-	8,876	-	-	-	8,876
Services and charges	5,387	8,203	4	2	1	13,597
Interest and amortization expense	-	-	6,341	558	27	6,926
Depreciation and amortization	1,393	10,760	-	-	-	12,153
	<u>8,385</u>	<u>29,041</u>	<u>6,345</u>	<u>683</u>	<u>28</u>	<u>44,482</u>
	<u>178</u>	<u>(3,139)</u>	<u>(2,477)</u>	<u>(411)</u>	<u>(10)</u>	<u>(5,859)</u>
Operating income (loss)						
Nonoperating revenues (expenses):						
Investment income	311	232	2,477	411	10	3,441
Interest and amortization expense	(1,655)	(235)	-	-	-	(1,890)
Interest on lease receivable	2,112	-	-	-	-	2,112
Operating subsidy from the City	82	1,518	-	-	-	1,600
Loss on lease modification	(294)	-	-	-	-	(294)
Gain on disposal of capital assets	-	16	-	-	-	16
	<u>556</u>	<u>1,531</u>	<u>2,477</u>	<u>411</u>	<u>10</u>	<u>4,985</u>
Income (loss) before contributions	<u>734</u>	<u>(1,608)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(874)</u>
Capital contributions from the City	<u>620</u>	<u>118</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>738</u>
	<u>620</u>	<u>118</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>738</u>
Change in net position	1,354	(1,490)	-	-	-	(136)
Net position (deficit), beginning of year	(207)	196,968	-	-	-	196,761
Net position, end of year	<u>\$ 1,147</u>	<u>\$ 195,478</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 196,625</u>

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

TULSA PUBLIC FACILITIES AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
STATEMENT OF CASH FLOWS
Year Ended June 30, 2023

(in thousands of dollars)						
		One Technology Center	BOK Center and CBCC	Financing-Advance Funding Sales Tax Projects	Financing-Stormwater Revenue Bonds Project	Nonmajor - Financing Parking Bonds Project
						Business-Type Activities Total
Cash flows from operating activities:						
Receipts from customers	\$	7,465	\$ 37,826	\$ -	\$ -	\$ -
Payments to suppliers and service providers	(6,129)	(17,218)	(4)	(2)	(1)	(23,354)
Payments to employees for salaries and benefits	(1,292)	-	-	-	-	(1,292)
Payments for bond issuance costs	-	-	-	-	(123)	(123)
Payments to City	-	-	(47,188)	(5,031)	-	(52,219)
Payments from City	-	-	53,834	2,300	-	56,134
Payments from related entity	-	-	-	-	654	654
Net cash provided (used) by operating activities	44	20,608	6,642	(2,856)	653	25,091
Cash flows from noncapital financing activities:						
Operating subsidy from the City	82	1,518	-	-	-	1,600
Proceeds from issuance of revenue bonds	-	-	-	8,325	-	8,325
Proceeds from revenue bond premium	-	-	-	93	-	93
Principal paid on revenue bonds	-	-	(44,175)	(1,480)	(600)	(46,255)
Interest paid on revenue bonds	-	-	(10,641)	(638)	(51)	(11,330)
Net cash provided (used) by noncapital financing activities	82	1,518	(54,816)	6,300	(651)	(47,567)
Cash flows from capital and related financing activities:						
Acquisition of capital assets	-	(1,332)	-	-	-	(1,332)
Capital contributions from the City	620	118	-	-	-	738
Principal paid on revenue bonds	(2,405)	(855)	-	-	-	(3,260)
Interest paid on revenue bonds	(1,663)	(248)	-	-	-	(1,911)
Proceeds from sale of capital assets	-	16	-	-	-	16
Net cash used by capital and related financing activities	(3,448)	(2,301)	-	-	-	(5,749)
Cash flows from investing activities:						
Investment income	286	223	3,560	364	9	4,442
Interest on lease receivable	2,112	-	-	-	-	2,112
Net cash provided by investing activities	2,398	223	3,560	364	9	6,554
Net change in cash and cash equivalents						
Cash and cash equivalents, beginning of year	(924)	20,048	(44,614)	3,808	11	(21,671)
	13,159	22,914	129,473	10,991	163	176,700
Cash and cash equivalents, end of year	\$ 12,235	\$ 42,962	\$ 84,859	\$ 14,799	\$ 174	\$ 155,029

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

TULSA PUBLIC FACILITIES AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
STATEMENT OF CASH FLOWS (continued)
Year Ended June 30, 2023

(in thousands of dollars)						
	One Technology Center	BOK Center and CBCC	Financing- Advance Funding Sales Tax Projects	Financing- Stormwater Revenue Bonds Project	Nonmajor - Financing Parking Bonds Project	Business-Type Activities Total
Reconciliation of cash and cash equivalents to the Statement of Net Position						
Unrestricted cash and cash equivalents	\$ 6,010	\$ 14,145	\$ -	\$ -	\$ 6	\$ 20,161
Current restricted cash and cash equivalents	1,616	27,165	11,788	576	168	41,313
Noncurrent restricted cash and cash equivalents	4,609	1,652	73,071	14,223	-	93,555
Total cash and cash equivalents	\$ 12,235	\$ 42,962	\$ 84,859	\$ 14,799	\$ 174	\$ 155,029
Reconciliation of operating income (loss) to net cash provided by operating activities:						
Operating income (loss)	\$ 178	\$ (3,139)	\$ (2,477)	\$ (411)	\$ (10)	\$ (5,859)
Adjustments:						
Depreciation and amortization	1,393	10,760	-	-	-	12,153
Change in accounts receivable and other assets	4,270	1,035	-	-	-	5,305
Change in deferred inflows of resources	(5,341)	-	-	-	-	(5,341)
Change in accounts payable and other liabilities	(563)	765	-	-	-	202
Change in net pension liability	345	-	-	-	-	345
Change in deferred outflows of resources	(219)	-	-	-	-	(219)
Change in deferred revenue	(47)	11,187	-	-	-	11,140
Change in OPEB	28	-	-	-	-	28
Change in advance	-	-	9,119	(2,445)	663	7,337
Net cash provided (used) by operating activities	\$ 44	\$ 20,608	\$ 6,642	\$ (2,856)	\$ 653	\$ 25,091
Noncash transactions:						
Purchase of capital assets in accounts payable	\$ 193	\$ -	\$ -	\$ -	\$ -	\$ 193

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

TULSA PUBLIC FACILITIES AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO FINANCIAL STATEMENTS (in thousands of dollars)
June 30, 2023

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

NATURE OF BUSINESS AND REPORTING ENTITY - The Tulsa Public Facilities Authority (the “Authority”) is a public trust created on March 10, 1981, as the Tulsa Civic Center Authority. On March 12, 1982, the Authority amended its Trust Indenture to change its name to the Tulsa Public Facilities Authority and expand its purposes to promote the acquisition, construction, and operation of various facilities and public improvements in and for the City of Tulsa, Oklahoma (the “City”). The Authority serves as a financing authority for the City as well as an enterprise authority for the operation of the OTC, and the BOK Center and CBCC facilities.

The OTC was acquired to consolidate City operations previously located in several locations in or near the central business district in downtown Tulsa and contains approximately 627,000 square feet of commercial office space. Approximately 293,000 square feet are leased by the City and the remaining is available for leasing.

Personnel costs are provided by the City and reimbursed by the Authority. For financial reporting purposes, personnel costs are reported as costs incurred directly by the Authority. Accordingly, the Authority reports these costs in its financial statements and makes appropriate disclosures in the notes to the financial statements. The Authority has no employees. All references to “employees” are references to City employees who perform operation and maintenance work for the OTC. Payments to and amounts owed to employees are part of the payments the Authority makes to the City.

The CBCC, opened in 1964, is an award-winning venue that houses an exhibit hall and ballroom.

The BOK Center was constructed as part of Vision 2025, a project to grow economic and community infrastructure for future generations. The BOK Center is a 19,199 seat state-of-the-art sports and entertainment venue.

The Authority is included in the City's Annual Comprehensive Financial Report as a blended component unit. The five trustees of the Authority are the Mayor and four individuals appointed by the Mayor and confirmed by the City Council. Although it is legally separate from the City, the Authority 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. The Advance Funding Sales Tax Projects Fund is reported by the City as a capital projects fund because it issued debt to finance governmental capital projects. The Stormwater Revenue Bonds Project Fund is reported with the City's Stormwater Management Fund, an enterprise fund. Other financing activities of the Authority are included as an internal service fund and enterprise activities are included as enterprise funds.

TULSA PUBLIC FACILITIES AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO FINANCIAL STATEMENTS (in thousands of dollars)
June 30, 2023

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

BASIS OF ACCOUNTING - The financial statements of the Authority are prepared in accordance with generally accepted accounting principles (“GAAP”) as applied to business-type activities of government units. The Governmental Accounting Standards Board (“GASB”) is the standard-setting body for governmental accounting and financial reporting.

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

Major Enterprise Funds:

OTC fund accounts for the commercial leasing activities of the OTC building and parking garage in Tulsa, Oklahoma.

BOK Center and CBCC fund accounts for the operations of the BOK Center and the CBCC; both are sports, entertainment, and convention facilities in downtown Tulsa.

Financing – Advance Funding Sales Tax Projects fund issues revenue bonds, proceeds of which are loaned to the City for the purpose of funding capital projects. The City will transfer to the Authority sales and use tax proceeds to fund debt service.

Financing – Stormwater Revenue Bonds Project fund issues bonds whose proceeds will be used to acquire, construct, equip, furnish, operate and maintain stormwater management projects in the City. The City has a Funding Agreement promising to pay the advance with available revenues, in accordance with the Projects Agreement. The Authority presents the fund as major because of anticipated future activity.

Nonmajor Fund:

Financing Parking Bonds Project fund issues revenue bonds, the proceeds of which are loaned to the City or to one of its component units.

CASH AND CASH EQUIVALENTS – Cash and cash equivalents reported on the statement of net position include both the amounts deposited within the City’s pooled portfolio and other cash and cash equivalents. The Authority’s cash and cash equivalents included in the City’s pooled portfolio are recorded at the net asset value of their position in the City’s pooled portfolio.

TULSA PUBLIC FACILITIES AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO FINANCIAL STATEMENTS (in thousands of dollars)
June 30, 2023

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

CASH AND CASH EQUIVALENTS, continued - The Authority is allocated interest monthly based on its average daily position in the City's pooled portfolio. Changes in fair value of the City's pooled portfolio are allocated annually based on the Authority's position on June 30.

For purposes of reporting cash flows, the Authority considers all highly liquid debt instruments with an original maturity of three months or less when purchased and any amounts held by the City's portfolio pool, to be cash equivalents. The amounts held in the City's pooled portfolio are considered liquid as they are available to be withdrawn on demand, with no redemption restrictions.

INVESTMENTS –The Authority invests available funds in accordance with the bond indentures and/or state statutes, authorized investments consist of obligations of the U.S. Treasury and federal agencies and instrumentalities. The investments of the Authority are reported at fair value.

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 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. The Authority categorizes its assets and liabilities measured at fair value within the hierarchy established by generally accepted accounting principles. Assets and liabilities valued at fair value are categorized based on inputs to valuation techniques as follows:

Level 1 input – Quoted prices for identical assets or liabilities in an active market that an entity has the ability to access.

Level 2 input – Quoted prices for similar assets or liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 input – Inputs that are unobservable for the asset or liability which are typically based upon the Authority's own assumptions as there is little, if any, related market activity.

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

TULSA PUBLIC FACILITIES AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO FINANCIAL STATEMENTS (in thousands of dollars)
June 30, 2023

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

RESTRICTED ASSETS – Restricted assets of the Authority are restricted under the terms of its bond indentures.

ACCOUNTS RECEIVABLE – Accounts receivable are stated net of an allowance for doubtful accounts. The allowance is determined by the length of time accounts receivable are past due and an analysis of the customer's ability to pay. Accounts receivable are written off when deemed uncollectible.

INVENTORY – Inventories consist of food and beverage items, other materials and supplies held for consumption. Inventory is state at lower of cost or market. Cost is determined by specific identification or first-in, first-out basis.

CAPITAL ASSETS - Capital assets purchased or acquired are carried at historical cost. Contributed assets are recorded at acquisition value as of the date of the contribution. Interest incurred during the construction phase of capital assets of enterprise activities is expensed in accordance with GASB Statement No. 89. The Authority owns artwork housed at the CBCC. The artwork is not depreciated because it meets all the following conditions:

- The artwork is held for public exhibition; with a useful life greater than one year.
- The artwork is protected, kept unencumbered, cared for, and preserved.
- The artwork is subject to an organizational policy requiring that the proceeds from sales of artwork be used to acquire other artwork.

DEPRECIATION - Capital assets placed in service are depreciated/amortized on a straight-line basis over the following estimated service lives and have the following capitalization thresholds:

Buildings	30-50 years	\$5
Parking garage	30 years	\$5
Leasehold improvements	24 years	\$5
Equipment	3-20 years	\$5
Land and artwork	Not depreciated	\$5

UNEARNED REVENUE – Unearned revenues for the BOK Center and CBCC are comprised of arena naming rights, sponsorships, advertising and event deposits and are recognized on a straight line basis over the life of the agreement, generally three to ten years or at the completion of the event. Unearned revenues for the OTC are related to tenant payments in advance for operating expense reimbursement and interest on leases. The related revenues are recognized in the period earned.

ARBITRAGE REBATES – Under the Internal revenue Code of 1986, a liability is recorded for excess earnings on the invested proceeds of tax-exempt bonds. The excess earnings are remitted to the Federal Government on every fifth anniversary of each bond issuance.

TULSA PUBLIC FACILITIES AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO FINANCIAL STATEMENTS (in thousands of dollars)
June 30, 2023

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

ADVANCE TICKET SALES AND REFUNDS – A liability is recorded for advance ticket sales to be paid to the promoter at the end of an event. These funds are deposited in an escrow account until the event occurs.

UNAMORTIZED PREMIUMS AND DISCOUNTS – Original issue premiums and discounts on the Authority's revenue bonds are amortized over the lives of the bonds using the effective interest method.

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. Accumulated vacation leave vests and the Authority is obligated to make payment even if the employee terminates. Accumulated sick leave is not paid out to employees upon separation, if separation occurs before retirement eligibility. Upon retirement the employee is eligible to receive a lump sum payout of one hour for every three hours of sick time accrued if the employee has at least 960 hours. 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 compensated absences attributable to the Authority is reported as incurred during the period earned based on a probable payout.

PENSIONS – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Municipal Employees' Retirement Plan (MERP) and additions to/deductions from MERP's fiduciary net position have been determined on the same basis as they are reported by MERP. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

OTHER POSTEMPLOYMENT BENEFITS – Postemployment benefits (OPEB) are part of an exchange of salaries and benefits for employee services rendered. Of the total benefits offered by employers to attract and retain qualified employees, some benefits, including salaries and active-employee healthcare, are taken while the employees are in active service, whereas other benefits, including postemployment healthcare, are taken after the employees' services have ended. Nevertheless, the benefit constitutes compensation for employee services. The Authority accounts for other postemployment benefit costs on an accrual basis, charging expenses in the period incurred (earned by employees), with a corresponding liability for benefits to be paid in future periods.

TULSA PUBLIC FACILITIES AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO FINANCIAL STATEMENTS (in thousands of dollars)
June 30, 2023

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

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES - Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be reported as an outflow of resources (expense) until then. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until then. The Authority records deferred outflows of resources and deferred inflows of resources related to their participation in MERP and OPEB. The Authority records deferred outflows/inflows related to deferred charges/gains on debt refunding transactions. The Authority also recognized a deferred inflow of resources related to several leases.

NET POSITION – Net position of the Authority represents the difference between assets and liabilities and deferred inflows/outflows. Net investment in capital assets consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of borrowings used to finance the purchase or construction of those assets. Outstanding balances of borrowings are net of unspent bond proceeds, including bond reserve funds. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors or, laws or regulations of other governments. When an expense is incurred for purposes for which both restricted and unrestricted resources are available, the Authority first applies restricted resources. Unrestricted net position is the difference between assets, liabilities and deferred inflow/outflows of resources that do not meet the definition of net investment in capital assets or restricted.

LEASES – The Authority is a lessor for noncancellable leases. The Authority recognizes a lease receivable and deferred inflow of resources on the statement of net position. At the commencement of a lease, the Authority initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of the lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments related to leases include how the Authority determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The Authority uses its borrowing rate for debt specific to leased assets as the discount rate or its incremental rate of borrowing.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of the fixed payments from the lessee.

The Authority monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

TULSA PUBLIC FACILITIES AUTHORITY
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1. NATURE OF BUSINESS, REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES, continued

REVENUE AND EXPENSES – Operating revenues consist of commercial office space lease revenue and parking garage rental for OTC building and garage, sponsorship and naming rights revenues and facilities use fees for the BOK Center and the CBCC; and investment income for the financing funds. Long-term leases govern the rates charged for the commercial office space leased. Long-term agreements also govern the amount of revenue recognized by the BOK Center as sponsorship and naming rights revenue.

Operating expenses consist of all costs incurred to administer the OTC building and garage, the BOK Center, the CBCC, including depreciation and amortization of capital assets, and interest costs for financing funds. All revenues and expenses not meeting these descriptions are considered non-operating revenues and expenses.

INCOME TAXES - The Authority is nontaxable as a political subdivision under Section 115(1) of the Internal Revenue Code, as amended.

USE OF ESTIMATES - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

2. CASH DEPOSITS AND INVESTMENTS

CASH AND CASH EQUIVALENTS — Cash deposits of the Authority are held within the City's pooled portfolio. The City's pooled portfolio consists primarily of time deposits and other securities guaranteed by the United States Government or its agencies. At June 30, 2023 the Authority maintained a balance of \$8,503 in the City's pooled portfolio which represented 0.68% of the City's pooled portfolio. The City's pooled portfolio and Authority's separately held cash and cash equivalents are collateralized by securities held by the City or its agent in the City's name as of June 30, 2023.

Please refer to the City's Annual Comprehensive Financial Report for additional information on the City's pooled portfolio, including required disclosures of risks and fair value measurement techniques. A copy of the City's separately issued Annual Comprehensive Financial Report can be obtained at www.cityoftulsa.org.

As of June 30, 2023, the Authority has \$38,824 of cash and cash equivalents separately held for the operations of the BOK Center and CBCC.

INVESTMENTS – The Authority has money market mutual funds of \$107,702 as of June 30, 2023 which are reported as cash equivalents on the statement of net position.

Interest Rate Risk –Interest rate risk is the risk that a change in interest rates will adversely affect the value of an investment.

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2. CASH DEPOSITS AND INVESTMENTS, continued

The Authority's investment policy is established by bond indentures that provide for maturity of investments as bonds become due or as funds are needed to provide for construction payments.

Credit Risk – Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The Authority's bond indentures dictate the types of investments that can be purchased thereby reducing credit risk.

Custodial Credit Risk – For deposits with financial institutions, custodial credit risk is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The Authority's policy for custodial credit risk requires compliance with provisions of state law and demand deposits be collateralized by at least 110% of the amount not federally insured. The Authority's deposits held separately for the operations of the BOK Center and CBCC are collateralized with a letter of credit from Federal Home Loan Bank. All safekeeping receipts for investment instruments are held in accounts in the Authority's name and all securities are registered in the Authority's name. Therefore, at June 30, 2023 none of the Authority's deposits of \$47,327 were exposed to custodial credit risk.

Concentration of Credit Risk – The Authority places no limit on the amount that may be invested in any one issuer.

INVESTMENT INCOME – Investment income for the year ended June 30, 2023, consisted of:

Interest and dividend income	\$	3,474
Advance/loan interest income		4,158
Net decrease in fair value of investments and cash equivalents		<u>(33)</u>
	\$	<u>7,599</u>

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3. ACCOUNTS RECEIVABLE

The accounts receivable balance consists of amounts owed at year end for OTC leasing revenues and BOK Center and CBCC event revenues.

	OTC	BOK Center and CBCC	Total
Accounts receivable:			
Tenant operating expense reimbursement	\$ 225	\$ -	\$ 225
Parking facility revenue	61	-	61
Event revenue	-	1,841	1,841
Sponsorship revenue	-	63	63
Miscellaneous revenue	7	-	7
	<hr/>	<hr/>	<hr/>
Total	293	1,904	2,197
Less: Allowance for doubtful accounts	-	(103)	(103)
	<hr/>	<hr/>	<hr/>
Accounts Receivable, net	\$ 293	\$ 1,801	\$ 2,094
	<hr/>	<hr/>	<hr/>

4. ADVANCES TO/FROM THE CITY AND RELATED ENTITY

ADVANCE FUNDING SALES TAX PROJECTS – In June 2017, the Authority issued its \$115,300 Series 2017 Capital Improvements Revenue Bonds. The proceeds of the bonds were loaned to the City to advance fund economic development projects in the City of Tulsa, including Arkansas River development. The bonds carry an interest rate of 3%, mature over a period of fifteen years ending June 1, 2032, and have remaining annual debt service requirements ranging from \$9,404 to \$10,775. In October 2018, the Authority issued its \$118,100 Series 2018 Capital Improvements Revenue Bonds. The proceeds of the bonds are loaned to the City to advance fund economic development projects in the City. The bonds carry an interest rate of 4%, mature over a period of thirteen years ending October 1, 2031, and have remaining annual debt service requirements ranging from \$3,366 to \$14,770. In November 2019, the Authority issued its \$113,895 Series 2019 Capital Improvements Revenue Bonds. The proceeds of the bonds are loaned to the City to advance fund economic development projects in the City. The bonds carry an interest rate of 5%, mature over a period of five years ending June 1, 2025, and have remaining annual debt service requirements ranging from \$28,933 to \$29,560.

The Authority has an advance to the City of \$149,260 at June 30, 2023 relating to this agreement. The City will repay the advance with sales and use tax collections to be used by the Authority for principal and interest payments on the outstanding bonds.

STORMWATER REVENUE BONDS PROJECT – In May 2020, the Authority issued its \$24,150 Series 2020 Capital Improvements Revenue Bonds. The proceeds of the bonds are being loaned to the City to fund stormwater capital projects in the City of Tulsa. The bonds carry an interest rate of 3%, mature over a period of fifteen years ending May 1, 2035, and have remaining annual debt service requirements ranging from \$1,885 to \$2,094.

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4. ADVANCES TO/FROM THE CITY AND RELATED ENTITY, continued

STORMWATER REVENUE BONDS PROJECT, continued

In March 2023, the Authority issued its \$8,325 Series 2023 Capital Improvements Revenue Bonds. The proceeds of the bonds are being loaned to the city to fund stormwater capital projects in the City of Tulsa. The bonds carry an interest rate of 3.50%-5.00%, mature over a period of twenty years ending March 1, 2043, and have remaining annual debt service requirements ranging from \$598 to \$645.

The Authority has an advance to the City of \$14,316 at June 30, 2023 relating to this agreement. The City will repay the advance with stormwater revenues in accordance with the Projects Agreement.

TULSA PARKING BONDS PROJECT – In April 2021, the Authority issued its \$4,315 Series 2021 Capital Improvements Revenue Bonds. The proceeds of the bonds were used to refund the Tulsa Parking Authority's (the "TPA") revenue bonds. Subsequently, TPA transferred operations, assets and obligations to the City who in turn transferred them to the Tulsa Authority for Economic Opportunity ("TAEO"). The Authority's bonds carry an interest rate of 1.25-2.00%, mature over a period of seven years ending April 1, 2028, and have remaining annual debt service requirements ranging from \$651 to \$658. The Authority has entered into a Projects Agreement whereby the City will make principal and interest payments on the bonds. The City has also entered into a Funding Agreement with the TAEO whereby TAEO will make the required debt service payments. The Authority has an advance to the TAEO of \$3,011 at June 30, 2023 relating to this project.

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5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 12,937	\$ -	\$ -	\$ 12,937
Artwork	1,128	-	-	1,128
Construction in progress	1	1,384	(1,277)	108
Total capital assets not being depreciated	14,066	1,384	(1,277)	14,173
Capital assets, being depreciated:				
Land improvements	50,867	-	-	50,867
Buildings	306,600	163	563	307,326
Parking garage	4,273	-	-	4,273
Equipment	42,544	814	673	44,031
Total capital assets being depreciated	404,284	977	1,236	406,497
Less accumulated depreciation/amortization:				
Leasehold improvements	(26,492)	(2,035)	-	(28,527)
Buildings	(121,095)	(8,754)	-	(129,849)
Parking garage	(1,788)	(164)	-	(1,952)
Equipment	(36,186)	(1,200)	41	(37,345)
Total accumulated depreciation	(185,561)	(12,153)	41	(197,673)
Total capital assets being depreciated, net	218,723	(11,176)	1,277	208,824
Capital assets, net	\$ 232,789	\$ (9,792)	\$ -	\$ 222,997

6. PENSION PLAN

Plan Description – Employees of the Authority are provided with pensions through the Municipal Employees’ Retirement Plan (“MERP”) - a cost-sharing multiple-employer defined benefit pension plan administered by the City. The Authority is not defined as an employer in the MERP plan document, but as described in Note 1, payroll and associated costs of City employees performing functions on behalf of the Authority, are reported in the financial statements of the Authority. MERP provides retirement, disability and death benefits which are established by City ordinance to plan members and beneficiaries. MERP’s financial statements and required supplementary information are included in the City’s Annual Comprehensive Financial Report. The report may be obtained by writing to the City of Tulsa, Office of the Controller, 175 East Second Street, Suite 1570, Tulsa, Oklahoma 74103, or at www.cityoftulsa.org.

TULSA PUBLIC FACILITIES AUTHORITY
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6. PENSION PLAN, continued

Benefits Provided – MERP provides retirement, disability, and death benefits. Retirement benefits are determined based on the employee's highest 30 months of pensionable wages during the last five years of service and a multiplier based on the years of service. Employees entering the plan prior to July 1, 2018 are eligible for full retirement at age 65, and at least 5 years of service, or when the years of service plus the employee's age equals or exceeds 80. Reduced benefits are available after age 55 and 5 years of service (Early retirement). Benefits for Early retirement are reduced 2.5% per year prior to age 65. Employees entering the plan on or after July 1, 2018 are eligible for full retirement at age 65, and at least 5 years of service, or when the years of service plus the employee's age equals or exceeds 90. Reduced benefits are available after age 60 and 5 years of service (Early retirement). Benefits for Early retirement are reduced 6.0% per year prior to age 65. Five years of service is required for nonservice-related disability eligibility. Disability benefits are determined in the same manner as normal retirement. Death benefits for vested participants are, at the spouse's election, a refund of contribution plus interest or a life annuity of 50% of the member's accrued benefit determined based on final average earnings and service as of the date of death.

Contributions – Contributions are set per City ordinance. Employees were required to contribute 7.5% of their pensionable wages from July 1, 2022 through September 24, 2022 and 8.0% thereafter. The Authority was required to contribute 16.5% of pensionable wages from July 1, 2022 through September 24, 2022 and 17.0% thereafter. Actual contributions to the pension plan from the Authority were \$147 for the year ended June 30, 2023.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The Authority reported a liability of \$1,557 for its proportionate share of the net pension liability as of June 30, 2023. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023. Standard update procedures were used to roll forward the total pension liability to June 30, 2023. The Authority's proportion of the net pension liability was based on the Authority's share of contributions to the pension plan relative to the contributions of all participating employers. At June 30, 2023, the Authority's proportion was .5555%.

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6. PENSION PLAN, continued

The Authority recognized pension expense of \$133 for the year ended June 30, 2023. At June 30, 2023 the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual plan experience	\$ 133	\$ -
Changes of assumptions	45	27
Net difference between projected and actual earnings on pension plan investments	35	-
Changes in proportion and differences between Authority contributions and proportionate share of contributions	197	29
Total	<u>\$ 410</u>	<u>\$ 56</u>

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	
2024	\$ 130
2025	52
2026	184
2027	(12)
	<u>\$ 354</u>

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6. PENSION PLAN, continued

Actuarial assumptions – The total pension liability was determined by an actuarial valuation as of January 1, 2023, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.50 to 9.50 percent, including inflation.
Investment rate of return	6.75 percent compounded annually, net of investment expense and including inflation

Mortality rates were based on PubG-2010 mortality table. Mortality was projected generationally using Scale MP-2021.

The actuarial assumptions used in the January 1, 2023 valuation were based on the results of an actuarial experience study for the five-year period ending December 31, 2020.

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. The ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by an asset allocation percentage which is based on the nature and mix of current and expected plan investments. This weighted-return is then increased by expected inflation and reduced by assumed investment expense. Best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	20%	2.75%
Domestic equity	36%	6.00%
International equity	24%	4.50%
Real estate	12%	5.25%
Commodities and timber	7%	4.50%
Cash	1%	0.50%
Total	100%	

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6. PENSION PLAN, continued

Discount Rate – The discount rate used to measure the total pension liability was 6.75%. 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 the participating employers will be made as specified in MERP’s funding policy. Beginning January 1, 2021 to September 24, 2022, the employer contribution rate was 16.5% of payroll. Beginning September 25, 2022 and all future years, it is assumed that the employer contribution rate will be 17.00% of payroll. Based on those assumptions, MERP’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 the projected benefit payments to determine the total pension liability.

Sensitivity of the Authority’s proportionate share of the net pension liability to changes in the discount rate – The following presents the Authority’s proportionate share of the net pension liability calculated using the discount rate of 6.75%, as well as what the Authority’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate.

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Authority’s proportionate share of the net pension liability	\$ 2,133	\$ 1,557	\$ 1,077

Pension plan fiduciary net position. Detailed information about the pension plan’s fiduciary net position is available in the City’s Annual Comprehensive Financial Report; which can be located at www.cityoftulsa.org.

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7. OTHER POSTEMPLOYMENT BENEFITS (“OPEB”)

General Information about the OPEB Plan

Plan Description – The Authority provides postemployment health care benefits for retired employees and their dependents through participation in the City of Tulsa Postretirement Medical Plan (the “Plan”), a multiple-employer defined benefit health care plan. The Authority is not an employer, but as described in Note 1, payroll and associated costs of City employees performing functions on behalf of the Authority, are reported in the financial statements of the Authority. The benefits, coverage levels, employee contributions, and employer contributions are governed by the City through its personnel and union contracts and are funded on a pay-as-you-go basis. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. The Plan does not issue a stand-alone financial report.

Benefits Provided – All health care benefits are provided through the City’s fully insured health plan. The benefit levels are the same as those offered 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.

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 City does not directly contribute to the Plan. Retiree and active employee participants are included in the same cost pool used to determine rates set by the insurer. An implicit subsidy results from this method of rate setting.

OPEB Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

At June 30, 2023, the Authority reported a liability of \$57 for its proportionate share of the OPEB liability. The total OPEB liability was measured as of June 30, 2023, and was determined by an actuarial valuation as of June 30, 2022. Standard update procedures were used to roll forward the total OPEB liability to June 30, 2023. The Authority’s proportion of the total OPEB liability was based on the Authority’s share of active employee participants relative to the active employees of all participating employers. At June 30, 2023, the Authority’s proportion was 1.0096%.

For the year ended June 30, 2023, the Authority recognized OPEB expense of \$2.

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7. OTHER POSTEMPLOYMENT BENEFITS (OPEB), continued

At June 30, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual plan experience	\$ 10	\$ 4
Changes of assumptions	3	5
Changes in proportion and differences between Authority's contributions and proportionate share of contributions	24	-
Total	<u>\$ 37</u>	<u>\$ 9</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the Authority's OPEB expense over the average remaining service lives of plan participant (actives and retirees) as follows:

Year	
2024	\$ 8
2025	9
2026	6
2027	5
	<u>\$ 28</u>

Actuarial assumptions – The total OPEB liability was determined by an actuarial valuation as of June 30, 2023 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	3.0%
Current year healthcare cost trend rate	7.5%
Annual reduction of healthcare cost trend	0.5%
Ultimate annual healthcare cost trend rate	4.5%

35% 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 full generational using Scale MP-2021. Surviving spouses mortality were based on SOA Pub-2010 Contingent Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2021.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of 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 2016.

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7. OTHER POSTEMPLOYMENT BENEFITS (OPEB), continued

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 4.13% as of June 30, 2023 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.

Sensitivity of the Authority's proportionate share of the total OPEB liability to changes in the discount rate – The following presents the Authority's proportionate share of the total OPEB liability calculated using the discount rate of 4.13%, as well as what the Authority's proportionate share of the total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.13%) or 1-percentage-point higher (5.13%) than the current rate:

	1% Decrease (3.13%)	Current Discount Rate (4.13%)	1% Increase (5.13%)
Authority's proportionate share of the total OPEB liability	\$ 61	\$ 57	\$ 52

Sensitivity of the Authority's proportionate share of the total OPEB liability to changes in the healthcare cost trend rate – The following presents the Authority's proportionate share of the total OPEB liability calculated using the healthcare cost trend rate of 7.5 decreasing to 4.5%, as well as what the Authority's proportionate share of the total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower (6.5%) or 1-percentage-point higher (8.5%) than the current rate:

	1% Decrease (6.5% decreasing to 3.5%)	Current Rate (7.5% decreasing to 4.5%)	1% Increase (8.5% decreasing to 5.5%)
Authority's proportionate share of the total OPEB liability	\$ 51	\$ 57	\$ 63

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8. UNEARNED REVENUE

The Authority had the following unearned revenues at June 30, 2023:

	Total	Current	Noncurrent
BOK Center and CBCC - event deposits	\$ 245	\$ 245	\$ -
BOK Center and CBCC - naming rights, advertising, and sponsorships	8,056	7,639	417
OTC - other tenant revenues	72	72	-
	<u>\$ 8,373</u>	<u>\$ 7,956</u>	<u>\$ 417</u>

9. REVENUE BONDS PAYABLE

Revenue bonds payable activity for the year ended June 30, 2023 is as follows:

Bond, Series, Maturity Dates	Issue Amount	Interest Rate	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
One Technology Center:							
Lease Revenue							
Refunding Series 2017A, 2037	\$ 34,185	3.00%-4.00%	\$ 34,185	\$ -	\$ -	\$ 34,185	\$ -
Lease Revenue, Refunding Series 2017B, 2028	25,465	3.00%-3.10%	18,605	-	(2,405)	16,200	2,475
			52,790	-	(2,405)	50,385	2,475
BOK Center and CBCC:							
Capital Improvements, Series 2008, 2027	16,000	6.069%	4,090	-	(855)	3,235	515
Financing- Advanced Funding Sales Tax Projects:							
Capital Improvements, Series 2017, 2032	115,300	3.00%	86,410	-	(7,605)	78,805	7,790
Capital Improvements, Series 2018, 2031	118,100	4.00%	99,830	-	(7,035)	92,795	9,205
Capital Improvements, Series 2019, 2025	113,895	5.00%	83,930	-	(29,535)	54,395	26,840
			270,170	-	(44,175)	225,995	43,835
Financing- Stormwater Revenue Bonds Project:							
Capital Improvements, Series 2020, 2035	24,150	3.00%	21,265	-	(1,480)	19,785	1,500
Capital Improvements, Series 2023, 2043	8,325	3.50%-5.00%	-	8,325	-	8,325	275
			21,265	8,325	(1,480)	28,110	1,775
Financing- Parking Revenue Bonds Project:							
Capital Improvements, Series 2021, 2028	4,315	1.25%-2.00%	3,725	-	(600)	3,125	610
Unamortized premiums			11,938	135	(4,442)	7,631	-
Unamortized discounts			(539)	(42)	39	(542)	-
			<u>\$ 363,439</u>	<u>\$ 8,418</u>	<u>\$ (53,918)</u>	<u>\$ 317,939</u>	<u>\$ 49,210</u>

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9. REVENUE BONDS PAYABLE, continued

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

SUBSEQUENT MATURITIES - Principal and interest payments in subsequent years are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 49,210	\$ 11,379	\$ 60,589
2025	52,695	9,213	61,908
2026	25,470	6,954	32,424
2027	25,770	6,085	31,855
2028	25,000	5,150	30,150
2029-2033	103,765	12,674	116,439
2034-2038	26,125	2,966	29,091
2039-2043	2,815	832	3,647
	<u>\$ 310,850</u>	<u>\$ 55,253</u>	<u>\$ 366,103</u>

The Authority Lease Revenue Bonds and Capital Improvement Revenue Bonds are subject to acceleration if the Authority defaults.

10. OTHER LONG-TERM LIABILITIES

The changes in other long-term liabilities for the year ended June 30, 2023 are summarized as follows:

	<u>Beginning</u>			<u>Ending</u>	<u>Due within</u>
	<u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u>	<u>One Year</u>
Other long-term liabilities:					
Compensated absences	\$ 59	\$ 10	\$ -	\$ 69	\$ 45
Net pension liability	1,212	345	-	1,557	-
Total OPEB liability	29	28	-	57	3
Arbitrage rebate payable	-	1,328	-	1,328	-
	<u>-</u>	<u>1,328</u>	<u>-</u>	<u>1,328</u>	<u>-</u>
Total other long-term liabilities	<u>\$ 1,300</u>	<u>\$ 1,711</u>	<u>\$ -</u>	<u>\$ 3,011</u>	<u>\$ 48</u>

TULSA PUBLIC FACILITIES AUTHORITY
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11. PLEDGED REVENUE

OTC LEASE REVENUE- The Authority has pledged future gross lease revenues derived from the operations of OTC facility to repay approximately \$59,650 in lease revenue bonds. Proceeds from the bonds provided financing for the acquisition and improvements of OTC.

Total principal and interest remaining on the debt is \$63,832 with annual requirements ranging from \$4,066 to \$4,413 through 2038. Annual debt service required 48% of gross revenues. Principal and interest paid in the current year amounted to \$4,069. Current year operating revenue totaled \$8,563.

CAPITAL IMPROVEMENTS SERIES 2008 – The Authority has pledged future sponsorship and naming rights revenues derived from the operation of the BOK Center to repay approximately \$16,000 in Capital Improvements Revenue Bonds. Proceeds from the bonds were used to fund the acquisition, construction, furnishing and equipping of capital improvements and additions to the BOK Center and to fund the Bond Reserve Fund in the amount of 10% of the par amount of the bonds (the “Reserve Requirement”) and to pay the costs of issuing the Bonds. The Authority and the City entered into a year-to-year Projects Agreement, dated as of April 1, 2008, pursuant to which the Authority will issue the bonds and the City has agreed to make payments pursuant to the Projects Agreement sufficient to pay (a) the principal of and interest on the bonds; and (b) all costs and expenses of the Authority in connection with the issuance, sale and delivery of the bonds.

Total principal and interest remaining on the debt is \$3,832 with annual requirements ranging from \$674 to \$1,771 through 2027. Annual debt service required 80% of sponsorship and naming right revenues which are pledged towards the debt under the indenture. The Authority paid \$1,103 in principal and interest during the year. Sponsorship and naming rights revenue, from which the payments will be made, was \$1,386 for the current year.

ADVANCE FUNDING SALES TAX PROJECTS - The Authority 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 \$258,279 with annual debt service requirements ranging from \$12,770 to \$53,824 through 2032. Principal and interest paid during the year amounted to \$54,816. Sales and use tax recorded during the current fiscal year by the City was \$85,973.

TULSA PUBLIC FACILITIES AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO FINANCIAL STATEMENTS (in thousands of dollars)
June 30, 2023

11. PLEDGED REVENUE, continued

STORMWATER REVENUE BONDS PROJECT- The Authority 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 and 2023. The City has pledged available monies for the payment of any indebtedness incurred by or on behalf of the City for the Projects Agreement. The City paid \$2,300 to the Authority on the Projects Agreement in 2023. Total principal and interest remaining on the debt is \$36,044 with annual requirements ranging from \$612 to \$2,712 through 2043. The Authority paid \$2,118 in principal and interest in 2023.

TULSA PARKING BONDS PROJECT - The Authority has entered into a Projects Agreement with the City on April 1, 2021 to provide financing to assist with the refunding of debt issued by the TPA and subsequently issued its Series 2021 Capital Improvements Revenue Bonds. The City has pledged available revenues to pay the principal and interest of the Series 2021 Capital Improvements Revenue Bonds issued by the Authority. The City also entered into a funding agreement with the TAO requiring TAO to make the principal and interest payments required on the 2021 Capital Improvements Revenue Bonds from TAO parking facility revenues and other available revenue of TAO. The TAO paid \$654 to the Authority on the Projects Agreement in 2023. The total principal and interest remaining on the debt is \$3,267 with annual debt service requirements ranging from \$651 to \$658 through 2028. The Authority paid \$651 in principal and interest payments in 2023.

TULSA PUBLIC FACILITIES AUTHORITY
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12. OPERATING LEASE REVENUE

OTC LEASES

The Authority owns the OTC building with commercial office space available. The City leases the building through 2038 and utilizes approximately 47% of the net rentable space with the remaining space available for leasing to other tenants. The Authority recognized \$3,535 in lease revenue and \$1,741 in interest income for the City lease.

The Authority has entered into multiple lease agreements with other tenants with lease terms ranging from one to ten years. The other OTC building tenant's square footage range from 500 to 105,408 square feet of net rentable space. At year end, the building was approximately 92% occupied. During the fiscal year, the Authority recognized \$3,059 in lease revenue and \$371 in interest income related to the agreements. These leases also require the tenants pay a portion of the building operating costs. During the year the Authority recorded \$1,170 in lease revenue related to building operating costs.

The schedule below shows future expected lease receipts, exclusive of the required operating cost payments:

Year	City			Other			Combined Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 2,729	\$ 1,655	\$ 4,384	\$ 1,711	\$ 172	\$ 1,883	\$ 4,440	\$ 1,827	\$ 6,267
2025	2,823	1,566	4,389	1,572	126	1,698	4,395	1,692	6,087
2026	2,928	1,474	4,402	1,515	83	1,598	4,443	1,557	6,000
2027	3,044	1,378	4,422	1,270	41	1,311	4,314	1,419	5,733
2028	3,171	1,278	4,449	431	19	450	3,602	1,297	4,899
2029 - 2033	18,660	4,683	23,343	443	7	450	19,103	4,690	23,793
2034 - 2038	19,406	1,440	20,846	-	-	-	19,406	1,440	20,846
	<u>\$ 52,761</u>	<u>\$ 13,474</u>	<u>\$ 66,235</u>	<u>\$ 6,942</u>	<u>\$ 448</u>	<u>\$ 7,390</u>	<u>\$ 59,703</u>	<u>\$ 13,922</u>	<u>\$ 73,625</u>

TULSA PUBLIC FACILITIES AUTHORITY
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NOTES TO FINANCIAL STATEMENTS (in thousands of dollars)
June 30, 2023

13. BOK CENTER NAMING RIGHTS AND SPONSORSHIP AGREEMENTS

The Authority had \$3,476 in naming rights and sponsorships agreements outstanding at June 30, 2023. During the year, the Authority recognized \$1,386 in naming rights and sponsorship revenue. Any amounts received but not earned are reflected as unearned revenue on the statement of net position.

The future earnings to be recognized on these agreements are as follows:

<u>Year</u>	<u>Future Earnings</u>
2024	833
2025	722
2026	722
2027	722
2028	447
2029	30
	<u>\$ 3,476</u>

14. FACILITIES REVENUE

The Authority has entered into various agreements for the use of luxury boxes and club seats through 2023. During the year, the Authority recognized \$8,688 in luxury boxes and \$1,596 in club seats, which is included in facility revenue. Any amounts received but not earned are reflected as unearned revenue on the statement of net position.

15. OPERATING AGREEMENTS

CBCC AND BOK CENTER LEASE AND PROJECT AGREEMENTS - The Authority has leased the CBCC and BOK Center (the “Facilities”) from the City for 25 years, ending June 30, 2032 or such longer period as any indebtedness issued in connection with the Facilities is outstanding. The lease assists the Authority in making financing arrangements that benefit improvements at the Facilities. During the year the Authority received \$1,518 from the City’s Hotel/Motel Tax to operate and maintain the Facilities.

CBCC AND BOK CENTER MANAGEMENT AGREEMENTS - In June 2013, the Authority and the City entered into an operating agreement with SMG. SMG has since merged with AEG Facilities to form a new management company, ASM Global (ASM). The agreement provides for the development and management services of the Facilities. The term of the original operating section of the agreement was July 1, 2013 through June 30, 2018. On June 28, 2018, the Authority voted to extend the agreement through June 30, 2023 and on April 27, 2023 the Authority voted to extend the agreement through September 28, 2023. The contract is subject to annual appropriations and may be terminated by any party.

TULSA PUBLIC FACILITIES AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO FINANCIAL STATEMENTS (in thousands of dollars)
June 30, 2023

15. OPERATING AGREEMENTS, continued

CBCC AND BOK CENTER MANAGEMENT AGREEMENTS, continued

Under the agreement, for the year ended June 30, 2023, ASM earned an annual base management fee of \$168 for the CBCC and \$164 for the BOK Center. ASM can also earn an annual incentive fee based on the operating results of both facilities compared to certain operating thresholds, as defined in the agreements. The operating thresholds, as defined in the agreements are gross revenue, attendance and net operating profits. If the benchmark is met for a threshold, ASM may receive an incentive fee equal to 33 1/3% of the management fee. The incentive fee may not exceed the management fee for the year. ASM earned \$164 of incentive fee for the BOK Center and \$164 for the CBCC for the year ended June 30, 2023.

16. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts: theft of, damage to and destruction of assets; errors and omissions and natural disasters. The City purchases commercial insurance for general liability and property damage as well as employee health and dental. The Authority is included in the City's insurance policies and would be responsible for deductibles relating to specific claims pertaining to the Authority. There have been no significant reductions in insurance coverage during the year and there were no settlement amounts in excess of the insurance coverage in the current year or in the three prior years.

The Authority also participates in the City's workers compensation self-insurance program. The City retains all risk of loss for workers' compensation claims.

17. GENERAL LITIGATION

The Authority is subject to claims and lawsuits that arise primarily in the course of ordinary business. It is the opinion of management that the disposition or ultimate resolution of such claims and lawsuits, if any, will not have a material adverse effect on the financial position, changes in financial position and cash flows of the Authority.

TULSA PUBLIC FACILITIES AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO FINANCIAL STATEMENTS (in thousands of dollars)
June 30, 2023

18. RELATED PARTY TRANSACTIONS

During the year ended, the Authority conducted the following transactions with related entities:

One Technology Center

Payments from the City for operations	\$ 82
Capital contributions from the City for capital improvements	\$ 620
Lease payments from the City for leased space in OTC	\$ 4,380
Lease payments from the TAEO for leased space in OTC	\$ 61

BOK Center and CBCC

Operating subsidy from the City for the CBCC	\$ 1,518
Capital contributions from the City for capital improvements	\$ 118

Financing - Advance Funding Sales Tax Projects

Payments on the advance to the City for capital improvements	\$ 47,188
Payments from the City for bond financing included in advance	\$ 53,834

Financing - Parking Revenue Bonds Projects

Payments from the Tulsa Authority for Economic Opportunity related to projects for bond financing included in the advance receivable	\$ 654
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Financing - Stormwater Revenue Bonds Projects

Payments on the advance to the City for Stormwater capital improvements	\$ 5,031
Payments from City related to Stormwater projects	\$ 2,300

19. COMMITMENTS

As of June 30, 2023, the Authority had open commitments for construction projects of approximately \$746.

TULSA PUBLIC FACILITIES AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO FINANCIAL STATEMENTS (in thousands of dollars)
June 30, 2023

20. FUTURE CHANGES IN ACCOUNTING PRONOUNCEMENTS

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

GASB Statement No. 101 – *Compensated Absences*, Issued in June 2022, this Statement will be effective for the Authority beginning with its fiscal year ending June 30, 2025. The primary objective of this Statement is to provide guidance on the accounting and financial reporting requirements for (a) compensated absences and (b) associated salary-related payments, including certain defined contribution pensions and defined contribution other postemployment benefits (OPEB).

21. SUBSEQUENT EVENTS

On September 26, 2023, the Authority entered into an operating agreement with Global Spectrum, L.P. d/b/a OVG360 relating to the management of the BOK Center and CBCC. The initial term of the agreement is September 29, 2023 through June 30, 2033 with the option of two five-year renewals at the sole discretion of the Authority.

TULSA PUBLIC FACILITIES AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2023

(in thousands of dollars)

Municipal Employees' Retirement Plan
Schedule of Proportionate Share – Last ten years

Year	Authority's proportion of net pension liability	Authority's proportionate share of net pension liability	Authority's covered payroll	Authority'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
2023	0.5555%	\$ 1,557	\$ 868	179%	67.2%
2022	0.4508%	1,212	609	199%	66.6%
2021	0.4759%	861	621	139%	76.9%
2020	0.4491%	1,141	587	194%	65.2%
2019	0.4537%	1,065	563	189%	66.9%
2018	0.4519%	887	542	164%	70.6%
2017	0.4758%	940	574	164%	69.4%
2016	0.4662%	1,008	547	184%	65.6%
2015	0.4452%	558	491	114%	77.1%
2014	0.4212%	471	461	102%	79.3%

* Information prior to 2014 is not available.

** Authority's proportionate share of the net pension liability and its covered payroll are for employees whose payroll costs were charged to the Authority.

Changes of assumptions: In 2016, amounts reported as changes of assumptions resulted primarily from changes in the mortality table and discount rate from 7.75% to 7.50%. In 2019 the inflation rate decreased from 3.00% to 2.50%, salary increases changed from 4.00%-11.75% to 3.50%-11.25%, and investment rate of return (and discount rate) decreased from 7.50% to 7.00%. In 2021 salary increases changed from 3.50%-11.25% to 3.50% to 9.50% and investment rate of return (and discount rate) decreased from 7.00% to 6.75%.

Municipal Employees' Retirement Plan
Schedule of Employer Contributions – Last ten years

Year	Contractually Required Contributions	Actual Contributions	Contribution Deficiency (Excess)	City's Covered Payroll funded by Authority payments	Actual Contributions as a Percentage of Covered Payroll
2023	\$ 147	\$ 147	\$ -	\$ 868	16.9%
2022	101	101	-	609	16.5%
2021	99	99	-	621	16.0%
2020	91	91	-	587	15.5%
2019	87	87	-	563	15.5%
2018	84	84	-	542	15.5%
2017	66	66	-	574	11.5%
2016	63	63	-	547	11.5%
2015	56	56	-	485	11.5%
2014	46	68	(22)	461	14.8%

TULSA PUBLIC FACILITIES AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2023

(in thousands of dollars)

Postemployment Benefits Other than Pensions Plan
Schedule of Proportionate Share - For the current and prior seven years

Year	Authority's proportion of total OPEB liability	Authority's proportionate share of total OPEB liability	Authority's covered payroll	Authority's proportionate share of total OPEB liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of total OPEB liability
2023	1.0096%	\$ 57	\$ 1,418	4.0%	0.00%
2022	0.5048%	29	566	5.1%	0.00%
2021	0.4929%	40	525	7.7%	0.00%
2020	0.4762%	39	527	7.5%	0.00%
2019	0.4857%	30	519	5.7%	0.00%
2018	0.4822%	30	492	6.1%	0.00%
2017	0.4776%	27	500	5.4%	0.00%
2016	0.4796%	29	483	6.0%	0.00%

* Information prior to 2016 is not available.

** Authority's proportionate share of total OPEB liability and its covered payroll are for employees whose payroll costs were charged to the Authority.

Changes of 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:

2023	4.13%
2022	4.09%
2021	2.19%
2020	2.66%
2019	3.51%
2018	3.87%
2017	3.56%
2016	4.00%

TULSA PUBLIC FACILITIES AUTHORITY
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REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2023

Postemployment Benefits Other than Pensions Plan
Schedule of Employer Contributions - Last eight years

Year	Contractually Required Contributions	Actual Contributions	Contribution Deficiency (Excess)	City's Covered Payroll funded by Authority payments	Actual Contributions as a Percentage of Covered Payroll
2023	\$ 3	\$ 3	\$ -	1,418	0.21%
2022	2	2	-	566	0.35%
2021	2	2	-	525	0.46%
2020	2	2	-	527	0.30%
2019	2	2	-	519	0.43%
2018	1	1	-	492	0.20%
2017	6	6	-	500	1.18%
2016	4	4	-	483	0.79%

* Information prior to 2016 is not available.

TULSA PUBLIC FACILITIES AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
DEBT COMPLIANCE INFORMATION (unaudited)
June 30, 2023

One Technology Center

Percentage of Occupied Units

Total occupied	18
Total vacant units	3
Total units	21
Percentage Occupied	86%

Percentage of Occupied Square Feet

Total Occupied Square Feet	576,681
Total Vacant Square Feet	50,384
Total Square Footage	627,065
Percentage Occupied	92%

Major Tenants and Square Feet

City of Tulsa	293,353
Level 3 Communications, LLP	105,408
Magellan Midstream Partners, LP	96,258

EXHIBIT “C”

SUMMARY OF CERTAIN PROVISIONS OF THE DOCUMENTS

SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE

The following is a summary of certain provisions of the Bond Indenture. The summary does not purport to be comprehensive or definitive and is qualified in its entirety by reference to all of the terms and provisions of the Bond Indenture, copies of which are available for inspection at the principal offices of the Authority and the Trustee. Capitalized words or phrases which are not defined herein or conventionally capitalized have the meanings given such words or phrases in the Bond Indenture.

Definitions

"Accountant's Certificate" means a certificate signed by an Independent Public Accountant.

"Accrued Aggregate Bond Service" means, as of any date of calculation, the sum of the amounts of Bond Service that have accrued with respect to all Series of Bonds, determined by calculating the Bond Service that has accrued with respect to each Series of Bonds as an amount equal to the sum of (i) the interest on the Bonds of such Series that has accrued and is unpaid and that will have accrued by the end of the then current calendar month, and (ii) that portion of the next due Principal Installment for the Bonds of such Series that would have accrued (if deemed to accrue in the manner set forth in the definition of "Bond Service") by the end of the then current calendar month.

"Act" means Title 60, Oklahoma Statutes 2011, Sections 176 et seq., as amended.

"Additional Bonds" means all Bonds or Series of Bonds, authenticated, issued and delivered pursuant to the Bond Indenture.

"Aggregate Bond Service" means, as of any date of calculation and with respect to any period, the sum of the amounts of Bond Service for all Series of Bonds for such period.

"Alternate Credit Enhancement Facility or Alternate Liquidity Facility" shall mean a letter of credit, insurance policy, line of credit, surety bond, standby purchase agreement or other security or liquidity instrument, as the case may be, issued in accordance with the terms hereof as a replacement or substitute for any Credit Enhancement Facility or Liquidity Facility, as applicable, then in effect.

"Authority" shall mean Tulsa Public Facilities Authority, a public trust created under the laws of the State of Oklahoma.

"Authorized Denominations" shall mean with respect to Series 2024 Bonds, \$5,000 and any integral multiple thereof.

"Authorized Investments" shall include any of the following securities, if and to the extent the same are at the time legal under Oklahoma law for investment of Authority funds:

- (a) any bonds or other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by, the United States of America;
- (b) any bonds, debentures, notes or other evidence of indebtedness unconditionally guaranteed by the United States of America and issued by the U.S. Export-Import Bank, the Government National Mortgage Association, the Federal Financing Bank, Farmers Home Administration or Federal Housing Administration;
- (c) New Communities Debentures issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under contracts with the United States of America; or Project Notes issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States of America;

(d) direct and general obligations of any state of the United States of America or any municipality in Oklahoma, to the payment of the principal of and interest on which the full faith and credit of such state or municipality is pledged which are rated by Moody's or S&P in one of the two highest rating categories assigned by such agencies;

(e) savings certificates or certificates of deposit, whether negotiable or non-negotiable, issued by any savings and loan association organized under applicable state or federal law, provided such deposits shall be continuously and fully insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation;

(f) certificates of deposit issued by any bank or trust company organized under the laws of the State of Oklahoma, or any other state, or any national banking association including the Trustee in any amount; provided that such certificates shall be either: (1) continuously and fully insured by the Federal Deposit Insurance Corporation, or (2) continuously and fully secured by such securities as are described in clauses (a) through (c) above, which shall have a market value (not including accrued interest) at all times at least equal to the principal amount of such certificates of deposit and such certificates of deposit shall be lodged with the Authority or the bank responsible for the derivative fund invested, as custodian, by the bank, trust company or national banking association issuing such certificates of deposit, and the bank, trust company or national banking association issuing each such certificate of deposit required to be so secured shall furnish the Trustee with either the securities pledged to the Authority as security therefor or a prior perfected security interest in such pledged securities which are free and clear of any claims by third parties and are segregated in a custodial or trust account held by a third party (other than the bank, trust company or national banking association issuing the certificate of deposit required to be so secured) as the agent solely of, or in trust solely for the benefit of, the Trustee, or (3) in the event any bank, trust company or national banking association has purchased any of the Bonds, such Bonds may be used as security up to the principal amount thereof, provided the Authority shall obtain an accompanying right of set-off of such Bonds, against the resulting deposit;

(g) obligations of or investment contracts with any national or state banking institution or any other qualified financial institution with the unsecured short-term indebtedness of such institution being rated in one of the three highest rating categories established by Moody's or S&P; or

(h) money market funds or mutual funds backed or collateralized by securities described in clauses (a) through (c) and (f) above and which funds have been registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933 and rated in one of the two highest rating categories by S&P or Moody's.

"Authorized Officer" means the Chairman or Vice Chairman of the Authority and any other person authorized by the by-laws or resolution or action of the trustees of the Authority to perform the act or sign the documents in question.

"Automatic Termination Event" shall mean an event of default set forth in the Support Agreement between the Authority and the Liquidity Provider which would result in the immediate termination of the Liquidity Facility prior to its stated expiration date without at least thirty days' prior notice from the Liquidity Provider to the Trustee, other than a termination upon the substitution of an Alternate Liquidity Facility.

"Available Amount" shall mean the amount available under the Credit Enhancement Facility or Liquidity Facility, as applicable, to pay the principal of and interest on the Bonds or the Purchase Price of the Bonds, as applicable.

"Available Money" or Available Monies" means with respect to a Series of Bonds (a) during the term of a Support Facility, (i) moneys drawn under the Support Facility, Bond proceeds or moneys deposited directly by the Authority with Trustee which have been on deposit with Trustee for at least 123 days during and prior to which no Act of Bankruptcy shall have occurred, or (ii) the proceeds of the sale of refunding obligations, if, in the Opinion of Counsel experienced in bankruptcy matters and acceptable to the Trustee, the application of such moneys will not constitute a voidable preference in the event of the occurrence of an Act of Bankruptcy, or (iii) the proceeds from investment of moneys under clause (i) or (ii) above, and (b) at any time not occurring during the term of a Support Facility, any moneys held by Trustee and the proceeds from the investment thereof.

"Beneficial Owner" shall mean, so long as any Series of Bonds are held in the Book-Entry System, any Person (including a Broker-Dealer) who acquires a beneficial ownership interest in the Bonds of such Series held by the Securities Depository. As to a Broker-Dealer, Beneficial Owner means the customer of a Broker-Dealer for such Series of Bonds who is listed on the records of that Broker-Dealer as a holder of a Bond of such Series. If at any time the Bonds of such Series are not held in the Book-Entry System, Beneficial Owner shall mean Bondholder for purposes of the Bond Indenture.

"Bond Counsel" shall mean an attorney or firm of attorneys of national recognition experienced in the field of municipal bonds whose opinions are generally accepted by purchasers of municipal bonds selected or employed by the Authority and acceptable to the Trustee.

"Bond or Bonds" means any bond or bonds, as the case may be, issued pursuant to the Bond Indenture or any Supplemental Bond Indenture which are at any time outstanding.

"Bond Fund" means the fund by that name established in the Bond Indenture.

"Bond Indenture" means the Master Bond Indenture, as same may be supplemented or amended from time to time.

"Bond Service" means, as of any date of calculation and with respect to any period for any Series of Bonds, an amount equal to the sum of: (i) the interest accruing during such period on the Bonds of such Series, except to the extent that such interest is to be paid from deposits in the Construction Interest Account of the Bond Fund or deposits in the Bond Service Account received on the date of delivery of such Series of Bonds from the proceeds thereof, or accrued interest and (ii) that portion of each Principal Installment for the Bonds of such Series that would have accrued during such period if each such Principal Installment were deemed to accrue daily in equal amounts from the next preceding Principal Installment due date (or, in the event there shall have been no such preceding Principal Installment due date, then from a date one year preceding the due date of such Principal Installment or from the date of issuance of the Bonds of such Series, whichever is later). Such interest and Principal Installments shall be calculated on the assumption that no Bonds of such Series Outstanding at the date of calculation will cease to be Outstanding except by reason of the payment of each Principal Installment for the Bonds of such Series on the due date thereof. With respect to Variable Rate Bonds, the interest rate per annum thereon shall be determined as follows: (i) with respect to an issue of Variable Rate Bonds at the time of calculation then Outstanding, the interest rate shall be the weighted average interest rate per annum borne by such series of Variable Rate Bonds for the twelve month period then ended at the time of calculation, and (ii) with respect to Variable Rate Bonds then proposed to be issued, but not then issued and Outstanding, the interest rate shall be assumed to be the Certified Interest Rate.

"Bond Service Account" means the account created within the Bond Fund established in the Bond Indenture.

"Bond Year" means with respect to any Series of Bonds, any period of twelve (12) consecutive months terminating on the due date of a Principal Installment for the Bonds of such Series.

"Bondholder or Holder of a Bond" or "Holder" means the registered owner or his duly authorized attorney-in- fact, representative or assigns, of any Bond.

"Book-Entry System" shall mean the system maintained by the Securities Depository.

"Business Day" means any day of the year other than a Saturday, a Sunday or any other day on which (i) banks in the States of New York or Oklahoma are required or authorized by law to remain closed, or (ii) the New York Stock Exchange is closed.

"Certified Interest Rate" shall mean the rate of interest as certified pursuant to the Bond Indenture which would have been borne by Variable Rate Bonds had such Variable Rate Bonds been issued at a fixed interest rate.

"City" shall mean the City of Tulsa, Oklahoma.

"Code" means the applicable provisions of the Internal Revenue Code of 1986, as amended.

"Construction Fund" means the fund by that name established in the Bond Indenture.

"Construction Interest Account" means the account by that name established in the Bond Indenture within the Bond Fund.

"Contracting Party" shall mean the person identified in a Supplemental Bond Indenture as being the responsible contracting party for a particular Project or portion of a Project.

"Cost of Construction" means but shall not be limited to, in connection with any particular Project, all costs of acquiring, constructing, equipping and furnishing the Project, including but not limited to the cost of land or any interest in land, obligations incurred for labor and materials and to contractors, builders and materialmen; the restoration or relocation of property damaged or destroyed in connection with the construction; the cost of machinery, equipment or supplies purchased by the Contracting Party for inclusion as part of a Project; any fees, compensation and expenses of the Authority, or the Trustee for services rendered during the period of construction; taxes, fees, charges, and expenses incurred in connection with the Project, the financing, or the issuance of and security for any Bonds; premiums, if any, on insurance in connection with the construction of the Project; costs to the Authority for expenses of the Authority including interim financing loans and all costs thereof, incident to and properly allocable to the acquisition, equipping and construction of the Project and placing same in operation; capitalizing interest requirements and the reserve fund requirements for any Bonds; legal, financing, financial, Support Facility, administrative and accounting and recording expenses and fees with respect to any Bonds; and the fees and expenses of bond counsel, special tax counsel, Authority counsel, Trustee's counsel, underwriter's counsel or other counsel with respect to any Bonds.

"Credit Enhancement Facility" shall mean a direct-pay letter of credit, insurance policy, surety bond, line of credit or other instrument then in effect which secures or guarantees the payment of principal of and interest on a Series of Bonds.

"Credit Enhancement Failure" or **"Liquidity Facility Failure"** shall mean a failure of the Credit Provider or Liquidity Provider, as applicable, to pay a properly presented and conforming draw or request for advance under the Credit Enhancement Facility or Liquidity Facility, as applicable, or the filing or commencement of any bankruptcy or insolvency proceedings by or against the Credit Provider or Liquidity Provider, as applicable, or the Credit Provider or Liquidity Provider, as applicable, shall declare a moratorium on the payment of its unsecured debt obligations or shall repudiate the Credit Enhancement Facility or Liquidity Facility, as applicable.

"Credit Provider" shall mean any bank, insurance company, pension fund or other financial institution which provides a Credit Enhancement Facility or Alternate Credit Enhancement Facility for a Series of Bonds.

"Electronic Means" shall mean telecopy, facsimile transmission, e-mail transmission or other similar electronic means of communication providing evidence of transmission, including a telephonic communication confirmed by any other method set forth in this definition.

"Event of Default" shall mean one or more of the following events:

(i) the failure to make the due and punctual payment of the principal or Redemption Price or Purchase Price of any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by proceedings for redemption, by declaration or otherwise;

(ii) the failure to make the due and punctual payment of any installment of interest on any Bond or any Sinking Fund Installment (except when such Sinking Fund Installment is due on the maturity date of such Bond) when and as such interest installment or Sinking Fund Installment shall become due and payable;

(iii) failure of the Authority in the punctual observance of any of the covenants, agreements or conditions on its part in the Bond Indenture or in the Bonds contained, and such default shall have continued for a period of sixty (60) days after written notice thereof, specifying such default and requiring the same to be remedied, shall have been given to the Authority by the Trustee, or to the Authority and the Trustee by the Holders of not less than fifty-one percent (51%) in aggregate principal amount of the Bonds at the time Outstanding; or

(iv) if there shall occur the dissolution or liquidation of the Authority or the filing by the Authority of a voluntary petition in bankruptcy, or adjudication of the Authority as a bankrupt, or assignment by the Authority for the benefit of its creditors, or the entry by the Authority into an agreement of composition with its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Authority in any proceeding for its reorganization instituted under the provisions of the federal bankruptcy act, as amended, or under any similar act in any jurisdiction which may now be in effect or hereafter enacted; or

(v) if an order or decree shall be entered, with the consent or acquiescence of the Authority, appointing a receiver or receivers of any substantial part of the Authority's assets, so as to adversely affect the Revenues, or if such order or decree, having been entered without the consent or acquiescence of the Authority, shall not be vacated or discharged or stayed within ninety (90) days after the entry thereof; or

(vi) if the Trustee shall have received written notice from the issuer of a Support Facility of an occurrence of an event of default under such Support Facility or the Support Agreement and a direction to the Trustee to accelerate the Bonds.

"Excess Investment Earnings" are determinable as of the end of each Bond Year on the basis of the period from the date of original issuance of a Series of Bonds through the last day of the most recently completed Bond Year for such Series, and are equal to:

the excess of:

(a) the aggregate amount earned on investments held under the Bond Indenture attributable to such Series (including unrealized gains and losses upon the retirement of the last Bond of such Series, but excluding investments in evidences of indebtedness on which the interest is excluded from gross income for federal income tax purposes pursuant to Section 103(a) of the Code and investments of amounts held in the Rebate Fund) over

(b) the amount that would have been earned on such investments if they had a yield equal to the yield of the Series (determined on a present value basis from the date of original delivery and payment for the Bonds of such Series, without adjustment for costs of issuance); and

(c) any income attributable to the excess described in (a) above.

"Expiration Date" shall mean the stated expiration date of the Credit Enhancement Facility or the Liquidity Facility, as it may be extended from time to time as provided in the Credit Enhancement Facility or the Liquidity Facility, or any earlier date on which the Credit Enhancement Facility or the Liquidity Facility shall terminate, expire or be canceled.

"Third Supplemental Bond Indenture" means that certain Third Supplemental Bond Indenture between the Authority and the Trustee dated as of April 1, 2024.

"Fiscal Year" means the period commencing on July 1 of each year and terminating on the next succeeding June 30, or any other Year as may hereafter be established by Resolution of the Authority.

"Independent Public Accountant" means any certified public accountant or firm of such accountants of national reputation appointed by the Authority and approved by the Trustee.

"Interest Payment Dates" means for the Series 2024 Bonds:

(a) each April 1 and October 1 beginning on October 1, 2024; and

(b) the final maturity date of the Series 2024 Bonds.

PROVIDED, HOWEVER, that if any such date is not a Business Day, interest shall be paid on the next succeeding date which is a Business Day but such interest will accrue only through the day prior to the Interest Payment Date. The first Interest Payment Date will be October 1, 2024.

“Liquidity Facility” shall mean any letter of credit, line of credit, standby purchase agreement or other instrument then in effect which provides for the purchase of Bonds of a Series upon the tender thereof in the event remarketing proceeds are insufficient therefor.

“Liquidity Provider” shall mean any bank, insurance company, pension fund or other financial institution which provides a Liquidity Facility or Alternate Liquidity Facility for any Series of Bonds.

“Liquidity Provider Bonds” shall mean any Series of Bonds purchased by the Liquidity Provider with funds drawn on or advanced under the Liquidity Facility.

“Maximum Aggregate Bond Service” means, as of any date of calculation, the greatest Aggregate Bond Service for all Bonds Outstanding as computed for any Bond Year.

“Maximum Bond Service” means, as of any date of calculation relating to any Series of Bonds, the greatest Aggregate Bond Service for all Bonds of such Series Outstanding as computed for any Bond Year.

“Maximum Rate” shall mean (i) with respect to Liquidity Provider Bonds, a rate of interest of fourteen percent (14%) per annum and (iii) with respect to all other Bonds, a rate of interest of twelve percent (12%) per annum.

“Moody's” means Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority by notice to the Trustee and any Remarketing Agent.

“Notice Parties” shall mean the Authority, the Trustee, the Remarketing Agent, the Paying Agent, the Credit Provider and the Liquidity Provider.

“Opinion of Counsel” means a written opinion of counsel of recognized standing in the field of municipal bond law selected by the Authority who is not an employee of the Authority. Any Opinion of Counsel may be based (insofar as it relates to factual matters or information which is in the possession of the Authority) upon a **“Written Certificate of Authority”** unless such counsel knows, or in the exercise of reasonable care should have known, that such written certificate is erroneous.

“Outstanding” means, as of any date of calculation, all Bonds theretofore executed, issued and delivered by the Authority and authenticated by the Trustee except:

- (a) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation;
- (b) Bonds in lieu of or in exchange for which other Bonds shall have been executed, issued and delivered by the Authority and authenticated by the Trustee pursuant to the terms of the Bond Indenture;
- (c) Bonds (or portions of Bonds) for the payment or redemption of which moneys, equal to the principal amount or Redemption Price thereof, as the case may be, with interest to the date of maturity or redemption date, shall be held in trust and set aside for such payment or redemption (whether at or prior to the maturity or redemption date), provided that if such Bonds (or portions of Bonds) are to be redeemed, notice of such redemption shall have been given as in the Bond Indenture provided or provision satisfactory to the Trustee shall have been made for the giving of such notice; and
- (d) Bonds deemed to have been paid or defeased as provided in the Bond Indenture.

"Participant" means when used with respect to any Securities Depositories, any participant of such Securities Depository.

"Paying Agent" means any bank or trust company designated as paying agent for the Bonds of any Series, and its successor or successors hereinafter appointed in the manner provided in the Bond Indenture. For purposes of the Series 2024 Bonds the Paying Agent shall be the Trustee.

"Person" shall include an individual, association, unincorporated organization, corporation, partnership, joint venture, limited liability company or government or agency or political subdivision thereof.

"Principal Installment" means, as of any date of calculation and with respect to any Series of Bonds, so long as any Bonds thereof are Outstanding: (i) the principal amount of Bonds of such Series due on a certain future date for which no Sinking Fund Installments have been established, or (ii) the unsatisfied balance (determined as provided in the definition of "Sinking Fund Installment") of any Sinking Fund Installment due on a certain future date for Bonds of such Series, plus the amount of the sinking fund redemption premiums, if any, which would be applicable upon redemption of such Bonds on such future date in a principal amount equal to such unsatisfied balance of such Sinking Fund Installment, or (iii) if such future dates coincide as to different Bonds of such Series, the sum of such principal amount of Bonds and of such unsatisfied balance of such Sinking Fund Installment due on such future date plus such applicable redemption premiums, if any. Principal Installments shall mean with equal force and effect either one or more Principal Installments.

"Projects Agreement" shall mean that certain Projects Agreement dated as of April 1, 2024, by and between the City and the Authority.

"Project Payments" shall mean all monies appropriated by the City and received by the Authority pursuant to the terms of the Project Agreement.

"Purchase Price" means an amount equal to 100% of the principal amount of any Variable Rate Bond tendered or deemed tendered pursuant to the terms of a Supplemental Bond Indenture plus accrued and unpaid interest thereon, if any, to the date of purchase.

"Rating Agencies" shall mean any of Moody's or S&P, which is then providing a rating on the Bonds.

"Rebate Fund" shall mean the Fund established by the Bond Indenture.

"Redemption Date" shall mean the date fixed for redemption of Bonds subject to redemption in any notice of redemption given in accordance with the terms of a Supplemental Bond Indenture.

"Redemption Price" means, with respect to any Bond, the principal amount thereof plus the applicable premium, if any, payable upon redemption thereof pursuant to any Supplemental Bond Indenture.

"Remarketing Agent" shall mean any Remarketing Agent appointed by the Authority and serving as such under the Remarketing Agreement, including any successors or assigns.

"Remarketing Agreement" shall mean any agreement which provides for the purchase and remarketing of Variable Rate Bonds, as such agreement may be supplemented and amended from time to time.

"Revenue Fund" means the fund by that name established in the Bond Indenture.

"Revenues" means: (i) payments from the City pursuant to the Projects Agreement; (ii) the income from the investment of moneys held under the Bond Indenture; and (iii) moneys derived from any other sources. The term "Revenues" does not include moneys received as proceeds from the sale of Bonds (or proceeds of refunding bonds) if any, for the construction of capital improvements, or from the furnishing and supplying of the services, facilities or commodities of the Project properties.

"S&P" means the S&P Global Ratings and division of Standard & Poor's Financial Services, LLC, a corporation organized and existing under the laws of the State of New York, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority by notice to Trustee and any Remarketing Agent.

"Securities Depository" means The Depository Trust Company, a corporation organized and existing under the laws of the State of New York, and any other Securities Depository for the Bonds appointed pursuant to the Bond Indenture, and their successors.

"Series" means all of the Bonds designated as being of the same Series authenticated and delivered on original issuance in a simultaneous transaction, and any Bonds thereafter authenticated and delivered in lieu thereof or in substitution therefor pursuant to the Bond Indenture.

"Series 2024 Bonds" means the Tulsa Public Facilities Authority Capital Improvements Revenue Bonds, Series 2024 authorized and issued pursuant to the Master Bond Indenture and the Second Supplemental Bond Indenture.

"Series 2024 Cost of Issuance Account" means that Account within the Construction Fund established and created (exclusively in respect to the Series 2024 Bonds), pursuant to the terms of the Second Supplemental Bond Indenture.

"Series 2024 Projects" means the providing of funds for the purpose of acquiring, constructing, equipping, furnishing, operating and maintaining stormwater management projects in the City of Tulsa, and paying debt service on indebtedness issued for such purpose, and may include, but not necessarily be limited to construction, improving, extending, furnishing, equipping, repairing or replacing any part thereof, including the acquisition or rehabilitation of existing facilities or the acquisition of land or interests in land for the development of future facilities.

"Series or Supplemental Bond Indenture" means a Supplemental Bond Indenture authorized and adopted by the Authority authorizing the issuance of a Series of Bonds in accordance with the Master Bond Indenture, including the Second Supplemental Bond Indenture.

"Sinking Fund Installment" means an amount so designated which is established pursuant to the Bond Indenture. The portion of any such Sinking Fund Installment remaining after the deduction of any such amounts credited pursuant to the Bond Indenture toward the same (or the original amount of any such Sinking Fund Installment if no such amounts shall have been credited toward the same) shall constitute the unsatisfied balance of such Sinking Fund Installments for the purpose of calculation of Sinking Fund Installments due on a future date.

"State" means the State of Oklahoma.

"Substitution Date" shall mean the date upon which an Alternate Credit Enhancement Facility or Alternate Liquidity Facility is substituted for the Credit Enhancement Facility or Liquidity Facility then in effect.

"Supplemental Bond Indenture" means any indenture, adopted by the Authority acting by and through its Trustees, supplemental to the Bond Indenture either authorizing the issuance and delivery of Additional Bonds or supplementing or clarifying existing indentures supplemental to the Master Bond Indenture, including the Second Supplemental Bond Indenture.

"Support Agreement" shall mean any reimbursement agreement, credit agreement, line of credit agreement, standby purchase agreement or other agreement, by and between the Credit Provider or Liquidity Provider, as applicable, and the Institution.

"Support Facility" means a Credit Enhancement Facility or a Liquidity Facility.

"Trust Estate" means (i) the Revenues; (ii) all of the Authority's right, title and interest under the Projects Agreement; and (iii) all funds and accounts of the Authority held by the Trustee pursuant to the terms of the Bond Indenture, including investment earnings thereon.

"Trustee" means BOKF, National Association, Tulsa, Oklahoma, a national banking association having corporate trust powers organized and existing under the laws of the United States of America, and its successors and any corporation resulting from or surviving any consolidation or merger to which it or its successors may be party and any successor Trustee at the time serving as successor trustee hereunder.

"Variable Rate Bonds" shall mean any Bonds issued bearing interest at a rate per annum subject to adjustment from time to time pursuant to the terms thereof, based upon an index, or otherwise calculated in a manner which precludes the actual rate for the entire term of such debt from being ascertainable in advance. For the purposes of this definition, Bonds shall not be considered to be Variable Rate Bonds upon the establishment of or conversion of the rate of interest thereon to a fixed interest rate for the remaining term thereof.

"Written Certificate of the Authority, Written Request of the Authority or Written Statement of the Authority" means an instrument in writing signed on behalf of the Authority by an Authorized Officer.

"Year" means any period of twelve (12) consecutive months.

Funds and Accounts Establishment of Funds

The following funds and accounts are established under the Bond Indenture:

Construction Fund The Tulsa Public Facilities Authority Series 2024 Construction Fund (the "Construction Fund") shall be established in the Trustee as a special trust fund. The Authority shall deposit a portion of the proceeds of the Series 2024 Bonds on the Closing Date. Amounts in the Construction Fund and investment earnings thereon shall be used to pay the costs of issuance of the Bonds as directed by the Authority to the Trustee in a Certificate of Trustees dated the date of closing (such funds shall be segregated by the Trustee in the Series 2024 Costs of Issuance Account to be established hereunder by the Trustee), to transfer to the Interest Account of the Bond Fund, as required to pay interest on the Series 2024 Bonds as may directed by the Authority, to make transfers to the Rebate Fund, as required, and to pay Cost of Construction of the Series 2024 Projects.

In respect to the amount of the proceeds of the Series 2024 Bonds necessary to pay the Cost of Construction of the Series 2024 Projects, under and pursuant to those contracts awarded by the City, the Trustee shall disburse to the City, such amount as is set forth in the form of requisition with the approval or signature of the Authorized Officer of the Authority.

Upon completion and acquisition of the Series 2024 Projects and the payment of all Cost of Construction and expenses to be paid from the Construction Fund and certification thereof to the Trustee by any Authorized Officer of the Authority, the Trustee shall retain in the Construction Fund a sum equal to the amounts necessary for payment of the costs of acquisition and construction not then due and payable. Any amount not to be retained in the Construction Fund for payment of the Cost of Construction of such Series 2024 Projects shall be transferred or deposited into the Construction Fund or deposited into the Bond Service Account of the Bond Fund as may be directed in writing by any Authorized Officer of the Authority.

Notwithstanding anything in the Second Supplemental Bond Indenture to the contrary, in the event that amounts held in the Bond Service Account of the Bond Fund are insufficient to pay, when due, debt service on the Bonds, amounts in the Construction Fund in excess of the amount encumbered by the Authority to cover the Cost of Construction of the Series 2024 Projects may be used to make up such deficiency.

Revenue Fund All Revenues shall be promptly deposited by the Authority to the credit of the Revenue Fund held by the Trustee.

As soon as practicable in each month after the deposit of Revenues in the Revenue Fund on or before the 25th day of each calendar month, the Trustee shall

(a) withdraw from the Revenue Fund and deposit in the Bond Fund for credit to the Bond Service Account, the amount, if any, required so that the balance in said Account shall equal the Accrued Aggregate Bond Service; provided that, for the purpose of transfers from the Revenue Fund to the Bond Fund, there shall be credited the amount transferred from the Construction Interest Account to the Bond Service Account and any other amounts in the Bond Service Account derived from the proceeds of the Bonds for payment of interest on Bonds, if required by a Supplemental Bond Indenture, or an amount of Bond proceeds to be applied for such purpose by a Supplemental Bond Indenture;

(b) withdraw from the Revenue Fund and pay to the persons entitled thereto, any fees and expenses due to the Trustee, the Liquidity Provider, the Remarketing Agent, or the Authority as may be due and payable during such monthly period as set forth in the Bond Indenture, the Liquidity Facility, the Remarketing Agreement or any Supplemental Bond Indenture;

(c) any excess Revenues deposited into the Revenue Fund not needed on a monthly basis for the deposits set forth in (a) and (b) above shall be (i) retained in the Revenue Fund until needed for the next succeeding month or (ii) retained in the Revenue Fund until all principal and interest on the Bonds have been paid or provided or (iii) upon direction of the Authority, returned to the City to be placed into the City's Sales Tax Fund for the purposes for which the Sales Tax was levied.

Provided however, that so long as there shall be held in the Bond Fund an amount sufficient to pay in full all Outstanding Bonds in accordance with their terms (including principal or applicable Redemption Price and interest thereon), no deposits shall be required to be made into the Bond Fund.

Bond Fund; Bond Service Account.

The Trustee shall pay (i) on or before each interest payment date for any of the Bonds, the amount required for the interest payable on such date; (ii) on or before each Principal Installment due date, the amount required for the Principal Installment payable on such due date; and (iii) on or before any redemption date for the Bonds, the amount required for the payment of the Redemption Price and interest on the Bonds then to be redeemed. Such amounts shall be applied by the Paying Agent on and after the due dates thereof. The Trustee shall receive into the Bond Service Account the accrued interest on any Bonds received on the date of delivery of such Bonds, and the Trustee shall receive such amounts as shall be transferred from the Construction Interest Account, if funded. The Trustee shall pay out of the Bond Service Account the accrued interest included in the purchase price of Bonds purchased for retirement.

Amounts accumulated in the Bond Service Account with respect to any Sinking Fund Installment (together with amounts accumulated therein with respect to interest on the Bonds for which such Sinking Fund Installment was established), may and, if so directed by the Authority, shall be applied by the Trustee, on or prior to the sixtieth (60th) day preceding the due date of such Sinking Fund Installment, to: (i) the purchase of Bonds of the Series and maturity for which such Sinking Fund Installment was established, or (ii) the redemption at the applicable sinking fund Redemption Price, of such Bonds, if then redeemable by their terms. After the sixtieth (60th) day but on or prior to the fortieth (40th) day preceding the due date of such Sinking Fund Installment, any amounts then on deposit in the Bond Service Account (exclusive of amounts, if any, set aside in said Account which were deposited therein from the proceeds of Bonds) may and, if so directed by the Authority, shall be applied by the Trustee to the purchase of Bonds of the Series and maturity for which such Sinking Fund Installment was established in an amount not exceeding that necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment. All purchases of any Bonds pursuant to this subsection (b) shall be made at prices not exceeding the applicable sinking fund Redemption Price of such Bonds plus accrued interest, and such purchases shall be made in such manner as the Authority shall direct the Trustee. The applicable sinking fund Redemption Price (or principal amount of maturing Bonds) of any Bonds so purchased or redeemed shall be deemed to constitute part of the Bond Service Account until such Sinking Fund Installment date, for the purpose of calculating the amount of such Account. As soon as practicable, after the fortieth (40th) day preceding the due date of any such Sinking Fund Installment, the Trustee shall proceed to call for redemption on such due date Bonds of the Series and maturity for which such Sinking Fund Installment was established (except in the case of Bonds maturing on a Sinking Fund Installment date) in such amount as shall be necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment. The Trustee shall pay out of the Bond Service Account to the appropriate Paying Agent, on or before such redemption day (or maturity date), the amount required for the redemption of the Bonds so called for redemption (or for the payment of such Bonds then maturing), and such amount shall be applied by such Paying Agent to such redemption (or payment). All expenses in connection with the purchase or redemption of Bonds shall be paid by the Authority.

In the event of the refunding of one or more Series of Bonds, the Trustee shall, upon the direction of the Authority, withdraw from the Bond Service Account in the Bond Fund amounts accumulated therein with respect to Bond Service on the Bonds being refunded and deposit such amounts with the escrow agent therefor to be held for the payment of the principal or Redemption Price, if applicable, and interest on the Series of Bonds being refunded; provided that such withdrawal shall not be made unless (i) immediately thereafter the Series of Bonds being refunded shall be deemed to have been paid pursuant to the Bond Indenture, and (ii) the amount remaining in the Bond Service Account in the Bond Fund after such withdrawal shall not be less than the requirement of such Account under the Bond Indenture.

To the extent payments of the principal or Redemption Price of or interest on any Bonds are made as provided in a Supplemental Bond Indenture with amounts drawn under a Support Facility, then and to the extent thereof such drawings shall be reimbursed to the issuer of the Support Facility on account of the Authority, and as otherwise required of the Authority under the Support Agreement, through the Trustee's payment to the issuer of the Support Facility, forthwith upon or immediately next following any such drawing on the Support Facility, out of the Bond Fund, the amount necessary to fully reimburse the issuer of the Support Facility for the amount of any such drawing upon the Support Facility to pay, as appropriate, the principal, Purchase Price or Redemption Price of, or interest on, any Bonds. Any payment of the principal or Redemption Price of, or interest on the Bonds, made with a drawing or drawings under a Support Facility, to the extent not immediately and fully reimbursed as hereinabove provided, shall not be considered to have been made by the Authority and shall continue to be an obligation of the Authority under the Bond Indenture and the Bonds to the extent of such payment, without limitation, and the issuer of the Support Facility or its nominee shall be entitled to all payments in respect to such principal or Redemption Price of, or interest on, the Bonds and all of the rights of the Bondholders with respect thereto, until the same shall be paid in full.

Rebate Fund. There is established with the Trustee a Rebate Fund which shall be held separate and apart from all other Funds established under the Bond Indenture for each Series of Bonds. With respect to each Series of Bonds, promptly after each Bond Year, commencing March 1, 2021, (and not later than 30 days after the redemption, payment at maturity or other retirement of the last Bond of such series) the Authority, using such consultants as it deems necessary, shall calculate Excess Investment Earnings and shall instruct the Trustee in writing to transfer from the Bond Fund and the Construction Fund to the Rebate Fund, or shall otherwise pay to the Trustee for deposit into the Rebate Fund, such amounts as shall be necessary to cause the aggregate amount on deposit in the Rebate Fund to equal the Excess Investment Earnings as of the end of such Bond Year and as of the redemption, payment at maturity or other retirement of the last Bond of such series; provided that no such transfers or deposits shall be necessary if the proceeds of the Bonds of such series are fully expended within six months of the date of original issuance of such Bonds. Withdrawals from the Rebate Fund may be made at the written direction of the Authority on account of negative arbitrage in other Funds, but not on account of negative arbitrage in the Rebate Fund. All amounts in the Rebate Fund, including income earned from investment of the Rebate Fund, shall be held by the Trustee free and clear of the lien of the Bond Indenture, and, with respect to a Series of Bonds, the Trustee shall pay said amounts over to the United States from time to time as the Trustee shall be instructed in writing by the Authority, provided that the Trustee shall so pay over to the United States: (1) not less frequently than once each five years after the date of original issuance of such Series of Bonds, within 60 days of such date, an amount equal to 90% of the Excess Investment Earnings of the Bonds of such Series as of each fifth year anniversary of the date of original issuance such Series of Bonds and (2) not later than 60 days after the redemption, payment at maturity or other retirement of the last Bond of such Series, 100% of all moneys remaining in the Rebate Fund, provided that computations and payments may be made on other basis, at other times, and in other amounts, or omitted altogether, all as shall be set forth in an opinion of Bond Counsel.

The Trustee shall retain records, forwarded to it by the Authority, of the determinations of the amount required to be deposited in the Rebate Fund, of the proceeds of any investments of moneys in the Rebate Fund, and of the amounts paid to the United States until the date six years after the discharge of the last of any such Series of Bonds.

Investment of Funds

Moneys held in the Bond Service Account in the Bond Fund shall be invested and reinvested by the Trustee to the fullest extent practicable only in the Authorized Investments which mature not later than such times as shall be necessary to provide moneys when needed for payments to be made from the Bond Service Account.

The Revenue Fund may be invested and reinvested by the Authority in Authorized Investments which mature not later than such times as shall be necessary to provide sufficient moneys when needed for payments to be made from such Fund, and in any case, moneys in the Revenue Fund sufficient to meet the monthly transfers to the Bond Service Account shall be available for timely transfer.

Moneys in the Construction Fund or any Project Account therein may be invested or reinvested by the Authority in Authorized Investments which mature not later than such times as shall be necessary to provide sufficient moneys when needed for payments to be made from such Fund.

All investment earnings shall be deposited in and losses credited to the Revenue Fund, unless otherwise provided in the Bond Indenture or any Supplemental Bond Indenture.

Particular Covenants of the Authority

Payment of Bonds. The Authority shall duly and punctually pay or cause to be paid the principal, Purchase Price or Redemption Price, if any, of every Bond and the interest thereon, at the dates and places and in the manner mentioned in such Bonds according to the true intent and meaning thereof.

Payment of Lawful Charges. The Authority shall pay all taxes and assessments or other municipal or governmental charges, if any, but only to the extent lawfully levied or assessed upon it, when the same shall become due, and shall duly observe and comply with all valid requirements of any municipal or governmental authority, and shall not create or suffer to be created any lien or charge thereon or any part of the Revenues, except the pledge and lien created by the Bond Indenture for the payment of the principal, Purchase Price and Redemption Price of and interest on Bonds. The Authority shall not make any payments in lieu of any such tax or assessment unless required by law, and shall make no payment to any person, by way of compensation or otherwise, in respect of any tax, assessment or other charge levied on or on account of real property or other assets owned or leased by the Authority if, by virtue of such ownership or leasehold interest, such real property or other assets shall be exempt from such tax, assessment or other charge. The Authority shall pay or cause to be discharged, or will make adequate provision to satisfy and discharge, within sixty (60) days after the same shall accrue, all lawful claims and demands for labor, materials, supplies or other objects which, if unpaid, might by law become a lien upon the Trust Estate; provided however, that nothing in this Section contained shall require the Authority to pay or cause to be discharged, or make provision for, any such lien or charge, so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings.

Accounts and Audit. The Authority shall cause its books and accounts to be audited each Fiscal Year by an Independent Public Accountant, acceptable to the Authority and Trustee and within six months after the end of each Fiscal Year copies of the reports of such audits so made shall be furnished to the Authority and the Trustee, including statements in reasonable detail, certified by said Accountant, of financial condition, of all funds held by the Trustee. The Authority shall cause a copy of every report of audit to be mailed to every Bondholder who within two years prior to the date of each such report shall have filed with the Authority a statement of his name and address together with a request for copies of such reports.

Further Assurances. At any and all times the Authority shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver all and every such further Supplemental Bond Indentures, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights, Revenues and other funds pledged or assigned, or intended so to be, or which the Authority may hereafter become bound to pledge or assign, or as may be reasonable and required to carry out the purposes of the Bond Indenture. The Authority shall at all times, to the extent permitted by law, defend, preserve and protect the Trust Estate and the pledge of the Revenues and other funds pledged hereunder and all the rights of the Bondholders hereunder against all claims and demands of all persons whomsoever.

Conditions Precedent. Upon the date of issuance of each Series of Bonds, all conditions, acts and things required by the statutes of the State or the Bond Indenture to exist, to have happened and to have been performed precedent to or in the issuance of such Bonds shall exist, have happened and have been performed.

Tax Covenant. The Authority particularly covenants and agrees with the holders of the Bonds that no part of the proceeds of any Series of Bonds shall be used directly or indirectly to acquire any securities or obligations the acquisition of which would cause any Bond to be an "arbitrage bond" as defined in subsection (c) of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations thereunder which apply on the date of issue of such Series.

The Authority shall at all times do and perform all acts and things permitted by law and necessary or desirable in order to assure that interest paid by the Authority on the Bonds shall, for the purposes of Federal income taxation be exempt from all such taxation under any valid provision of law. It is the intent of the Authority that any Additional Bonds issued by the Authority and constituting "Private Activity Bond" as that term is defined by the Code shall not prescribe terms or provisions that would render the interest on any Series of Bonds issued to be subject to Federal income taxation.

In order to insure compliance with the requirements of this Section, the Authority authorizes the Trustee to employ such professionals as necessary to insure that the actual yield on any Series of Bonds does not exceed the permissible yield on such Series of Bonds.

Supplemental Bond Indentures

Supplement or Amendment Without Bondholder Consent. The Trustee and the Authority may, from time to time and at any time, without the consent of the holders of any of the Bonds enter into indentures supplemental or amendatory hereto which, in the opinion of the Trustee (whose opinion shall be conclusive upon the Authority and the holder of any Bond), shall not be inconsistent with the terms and provisions hereof for any of the purposes heretofore specifically authorized in the Bond Indenture, and in addition thereto for the following purposes:

- (a) To cure any ambiguity or formal defect, inconsistency, or omission in the Bond Indenture or to clarify matters or questions arising thereunder;
- (b) To add additional covenants and agreements of the Authority for the purpose of further securing the payment of the Bonds;
- (c) To confirm as further assurance any pledge of additional revenues, monies, securities or funds;
- (d) To effect any changes necessary in order that the rating or ratings assigned to the Bonds by Moody's or S&P shall be the best ratings obtainable with respect to such Bonds from such rating agencies.
- (e) To authorize Bonds of a Series and, in connection therewith, to specify and elaborate on the matters and things mentioned or referred to in the Bond Indenture and also any other matters and things relative to such Additional Bonds which are not contrary to or inconsistent with the Bond Indenture or to amend, modify or rescind any such authorization, specification or determination at any time prior to the authentication and delivery of such Bonds;
- (f) To modify any of the provisions of the Bond Indenture in any other respect whatever, provided that:
 - (i) such modification shall be, and be expressed to be, effective only after all Bonds of any Series Outstanding at the date of the adoption of such Supplemental Bond Indenture shall cease to be Outstanding; or
 - (ii) To provide for the creation of any additional funds or accounts as the Authority and the Trustee shall deem desirable for the further securing and assurance of all Series of Bonds Outstanding and any Additional Bonds to be issued pursuant to any Supplemental Bond Indenture, or provide for such additional funds or accounts as the Authority shall deem appropriate to enhance the management and efficiency of the Authority.

Supplement or Amendment Upon Approval of 51% of Bondholders. The provisions of the Bond Indenture may be supplemented or amended in any particular by the Authority and the Trustee with the prior written consent of the holders of not less than 51% of the aggregate principal amount of Bonds then Outstanding which would be adversely affected by the supplement or amendment; provided, however, that no such supplement or amendment may be adopted which decreases the percentage of Bonds required to approve a supplement or amendment, nor which permits a change in the date of payment of the principal of any Bonds or of any redemption price thereof or the rate or rates of interest thereon, or the creation of a lien upon the Authority's interest in the Trust Estate or a pledge of Revenues superior to the lien or pledge created by the Bond Indenture or a priority of any Bond over any other Bond, without the consent of all the Bondholders.

Remedies and Acceleration of Maturities. If an Event of Default shall happen: then and in each and every such case during the continuance of any such Event of Default unless the principal of all the Bonds shall have already become due and payable, (i) in the case of certain Event of Defaults involving the Support Facility, the Trustee shall, and (ii) in the case of any other Event of Default hereunder either the Trustee or the Holders of not less than fifty-one percent (51%) in aggregate principal amount of the Bonds at the time Outstanding shall be entitled, upon notice in writing to the Authority (in the case of the Holders notice shall be delivered to both the Authority and the Trustee) to, declare the principal of all of the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon such declaration the same shall become and shall be immediately due and payable, anything in the Bond Indenture or in the Bonds contained to the contrary notwithstanding.

The right of the Trustee or of the Holders of not less than fifty-one percent (51%) in aggregate principal amount of the Bonds at the time Outstanding to make any such declaration as aforesaid, however, is subject to the condition that if, at any time after such declaration, all overdue installments of interest upon the Bonds, together with interest on such overdue installments (at the rate specified for such Bond) if and to the extent permitted by law, and the reasonable and proper charges, expenses and liabilities of the Trustee, and all other sums then payable by the Authority under the Bond Indenture (except the principal of, and interest accrued since the next preceding interest payment date on the Bonds due and payable solely by virtue of such declaration) shall either be paid by or for the account of the Authority or provision satisfactory to the Trustee shall be made for such payment, and all defaults under the Bonds or under the Bond Indenture (other than the payment of principal and interest due and payable solely by reason of such declaration) shall be made good or be secured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall be made therefor, then and in every such case the Holders of not less than fifty-one percent (51%) in aggregate principal amount of the Bonds at the time Outstanding may request that any such declaration be rescinded, and upon such request any such declaration shall ipso facto be deemed to be annulled, but such rescission and annulment shall not extend to or affect any subsequent default or impair or exhaust any right or power consequent thereon.

Notice of Default and Remedies. Upon the occurrence of an Event of Default, the Trustee, the Bondholders and the issuer of any applicable Support Facility shall have all the rights and remedies as may be allowed by law or the Bond Indenture, including acceleration of the payment of all Bonds; appointment of a temporary receiver or trustee, or suit at law or in equity to enforce or enjoin the action or inaction of parties under the provisions of the Bond Indenture. Notice of the occurrence of any Event of Default will be given to each registered owner of Bonds and the issuer of any Support Facility.

Insufficiency in Revenue Fund and other Funds of the Authority; Application of Monies. Anything in the Bond Indenture to the contrary notwithstanding, if at any time the monies in the Revenue Fund and all other Funds of the Authority shall not be sufficient to pay the interest on or the principal of the Bonds as the same shall become due and payable (either by their terms or by acceleration), such monies, together with any monies when available or thereafter becoming available for such purpose, whether through the exercise of the remedies provided for in the Bond Indenture or otherwise, shall be applied as follows:

(a) Unless the principal of all the Bonds shall have become or shall have been declared due and payable, all such monies shall be applied:

(i) To the payment to the persons entitled thereto of all installments of interest then due and payable in the order in which such installments became due and payable;

(ii) To the payment to the persons entitled thereto of the unpaid principal of any of the Bonds which shall have become due and payable (other than Bonds called for redemption for the payment of which monies are held pursuant to the provisions of the Bond Indenture) in the order of their due dates (with interest on the principal amount of such Bonds due and payable);

(b) If the principal of all the Bonds shall have become or shall have been declared due and payable, all such monies shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference except as to any differences in the respective rates of interest specified in the Bonds; and

(c) If the principal of all the Bonds shall have been declared due and payable and if such declaration shall thereafter have been rescinded and annulled, then, subject to the provisions of paragraph (b) above, in the event that the principal of all the Bonds shall later become or be declared due and payable, the monies then remaining in and thereafter accruing to the Revenue Fund shall be applied in accordance with the provisions of paragraph (a) above.

Whenever money is to be applied by the Trustee pursuant to the provisions of this Section, such money shall be applied by the Trustee at such times and from time to time as the Trustee in its sole discretion shall determine, having due regard to the amount of such money available for application and the likelihood of additional money becoming available for application in the future; the deposit of such money or otherwise setting aside such money in trust for the proper purpose shall constitute proper application by the Trustee; and the Trustee shall incur no liability whatsoever to the Authority, to any Bondholder or to any other person for any delay in applying any such money, so long as the Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies the same in accordance with such provisions of the Bond Indenture as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such money, it shall fix the date (which shall be an interest payment date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date and shall not be required to make payment to the holder of any Bond until such Bond shall be surrendered to the Trustee for appropriate endorsement or for cancellation if fully paid.

Discontinuance of Proceedings. In case any proceeding taken by the Trustee on account of any default shall have been discontinued or abandoned for any reason, then and in every such case the Authority, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no proceeding had been taken.

Appointment of Receiver. Upon the occurrence of any Event of Default, and upon filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bondholders and the issuer of a Support Facility under the Bond Indenture, either the Trustee or the Holders of not less than fifty-one percent (51%) in aggregate principal amount of the Bonds at the time Outstanding or the issuer of a Support Facility shall be entitled to request the appointment of a receiver or trustee of the Revenues pending such proceedings, with such powers as the court making such appointment shall confer, whether or not such Revenues shall be deemed sufficient ultimately to satisfy the Bonds Outstanding hereunder.

Remedies not Exclusive. No remedy by the terms of the Bond Indenture conferred upon or reserved to the Trustee or the Bondholders is intended to be exclusive of any other remedy, but each and every remedy shall be cumulative and shall be in addition to every other remedy given under the Bond Indenture or existing at law or in equity on or after the date of adoption of the Bond Indenture.

Remedies Vested in Trustee. All rights of action (including the right to file proof of claims) under the Bond Indenture or under any of the Bonds may be enforced by the Trustee without possession of the Bonds and without their production in any trial or other proceedings relating thereto. Any suit or proceeding instituted by the Trustee may be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any holders of the Bonds.

51% of Bondholders Control Proceedings. If an Event of Default shall have occurred and be continuing, notwithstanding anything in the Bond Indenture to the contrary, the holders of at least fifty-one percent (51%) of the aggregate principal amount of Bonds then Outstanding shall have the right, at any time by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting any proceeding to be taken in connection with the enforcement of the terms and conditions of the Bond Indenture, provided the direction is in accordance with law and the provisions of the Bond Indenture and, in the sole judgment of the Trustee, is not unduly prejudicial to the interest of Bondholders not joining in the direction and the issuer of any Support Facility, and provided further, that nothing in this Section shall impair the right of the Trustee in its discretion to take any other action under the Bond Indenture which it may deem proper and which is not inconsistent with the direction by Bondholders.

Individual Bondholder Action Restricted. No holder of any Bond or coupon shall have any right to institute any suit, action or proceeding for the enforcement of the Bond Indenture or for the execution of any trust hereunder or for any remedy under the Bond Indenture unless: (i) An Event of Default has occurred as to which the Trustee has actual notice, or as to which the Trustee has been notified in writing; and (ii) The holders of at least fifty-one percent (51%) of the aggregate principal amount of Bonds Outstanding or the issuer of any Support Facility shall have made written request to the Trustee to proceed to exercise the powers granted in the Bond Indenture or to institute an action, suit or proceeding in its own name; and such Bondholders shall have offered the Trustee such indemnity as may be satisfactory to the Trustee, and the Trustee shall have failed or refused to exercise the powers granted in the Bond Indenture or to institute an action, suit or proceeding in its own name for a period of fifteen (15) days after receipt of the request and offer of indemnity.

No one or more holders of Bonds shall have any right in any manner whatsoever to disturb or prejudice the security of the Bond Indenture or to enforce any right hereunder except in the manner herein provided and then only for the equal benefit of the holders of all outstanding Bonds.

Defeasance

Payment. If the Authority shall pay or cause to be paid with Available Monies or there shall otherwise be paid with Available Monies, to the Bondholders or Beneficial Owners of all Bonds the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Bond Indenture and all amounts owing to the issuer of a Support Facility under a Support Agreement, if applicable, are paid, then the assignment and pledge of the Trust Estate under the Bond Indenture and all covenants, agreements and other obligations of the Authority to the Bondholders shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall cause an accounting for such period or periods as shall be requested by the Authority and shall execute and deliver to the Authority all monies or securities held by them pursuant to the Bond Indenture which are not required for the payment of principal or Redemption Price, if applicable, or of interest on Bonds not theretofore surrendered to such payment or redemption. If the Authority shall pay or cause to be paid, or there shall otherwise be paid to the Bondholders or Beneficial Owners of all Outstanding Bonds the principal or Redemption Price, if applicable, thereof and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Bond Indenture, such Bonds shall cease to be entitled to any lien, benefit or security under the Bond Indenture and all covenants, agreements and obligations of the Authority to the Bondholders shall thereupon cease, terminate and become void and be discharged and satisfied.

Provision for Payment. Bonds or interest installments for the payment or redemption of which direct obligations of, or obligations the payment of the principal of and interest on which are unconditionally guaranteed by, the United States of America ("Government Obligations") purchased with Available Monies shall have been set aside and shall be held in trust by the Trustee at maturity or a date set for redemption by the Authority shall be deemed to have been paid within the meaning and with the effect expressed above. All Outstanding Bonds and all interest on such Bonds shall, prior to the maturity or redemption date thereof, be deemed to have been paid within the meaning and with the effect expressed above: (a) in case of any of said Bonds which are to be redeemed on any date prior to their maturity, the Authority shall have given to the Trustee in form satisfactory to it irrevocable instructions to give notice of redemption of such Bonds on said date; (b) there shall be Government Obligations the principal of and interest on which when due will provide monies, which shall be sufficient to pay when due the principal or Redemption Price of and interest due at the maturity or redemption date thereof, as the case may be; and (c) in the event such Bonds are not by their terms subject to redemption within the next succeeding 60 days the Authority shall have given the Trustee in form satisfactory to it irrevocable instructions to give, as soon as practicable, notice of redemption that the deposit required by (b) above has been made with the Trustee and that such Bonds and interest thereon are deemed to have been paid in accordance with this Section and stating such maturity or redemption date upon which monies are to be available for the payment of the principal or Redemption Price of such Bonds. Provided however, this Section shall not apply to the defeasance of any Variable Rate Bonds issued hereunder.

SUMMARY OF CERTAIN PROVISIONS OF THE PROJECTS AGREEMENT

The following is a summary of certain provisions of the Projects Agreement. The summary does not purport to be comprehensive or definitive and is qualified in its entirety by reference to all of the terms and provisions of the Projects Agreement, copies of which are available for inspection at the principal offices of the Authority and the Trustee. Capitalized words or phrases which are not defined herein or conventionally capitalized have the meanings given such words or phrases in the Projects Agreement.

General In order to better secure the payment of the Series 2024 Bonds, and for the performance of the City under the Projects agreement, the Authority and the City have entered into the Projects Agreement.

Project Payments The City agrees, subject to availability of funds in excess of those funds necessary to efficiently and sufficiently meet the operational expenditures for general City government and in excess of any funds available for payment of other outstanding revenue bonds, to make payments from available funds of the City at such times and in such amounts as may be necessary to pay the principal and interest of the Series 2024 Bonds, when due, (whether upon the scheduled due date, upon redemption, purchase or acceleration or otherwise) and all accrued interest thereon. The payment made by the City shall hereinafter be referred to as the Project Payments. All such Project Payments shall not be subject to set-off or counterclaim by the City and shall be used as set forth in the Bond Indenture and shall be in such amounts as are necessary for the payment when due (whether upon the scheduled due date, upon redemption, purchase, or acceleration, or otherwise) of (a) principal of and interest on the Series 2024 Bonds coming due at such time and (b) all other amounts due under the Bond Indenture. In any case where the date fixed for any payment from the City to the Trustee on behalf of the Authority shall not be a Business Day (as defined in the Bond Indenture), then such payment may be made on the next succeeding Business Day. In the event that Project Payments are not deposited in the Authority's Bond Fund when due, the Trustee on behalf of the Authority shall give written notice of such failure to deposit to the Authority and to the City, and the City will have five calendar days to deposit such funds. Failure to deposit such funds within such five calendar day period shall constitute an event of default hereunder.

Use of Project Payments The Authority agrees that all proceeds of the Project Payments received by it shall be utilized exclusively for the purposes set out in the Ordinances of the City and in the Projects Agreement and for no other purposes.

Annual Appropriation It is hereby acknowledged that under applicable Oklahoma law, the City may not become obligated beyond its fiscal year (July 1 through June 30) and therefore, the covenants made herein by the City shall be on a year-to-year basis. Payment of the Project Payments as set out herein is subject to the availability of funds and annual appropriations thereof by the City. The Series 2024 Bonds issued by the Authority shall in no way be or become an obligation of the City.

Term The Projects Agreement shall be for a term commencing on the date hereof and ending on June 30, 2024. The Projects Agreement may be renewed for successive annual periods commencing July 1, 2024, at the option of the City, upon written notice of the exercise of each such option from the City to the Authority given prior to the expiration of the then current term and the taking by the City of such official action as shall be required by applicable laws to effect such renewal and annual appropriation. Notice of such renewal shall be provided to the Trustee and the Authority, not later than July 31 of each year.

Third Party Beneficiary It is understood and agreed that the Projects Agreement is a third party beneficiary contract for the benefit of the holders of the Series 2024 Bonds and may be pledged and assigned by the Authority as security for the Series 2024 Bonds.

No Default The City represents that it is not in default in the performance, observance or fulfillment of any material obligation, covenant or condition contained in any material agreement or instrument to which the City is a party or by which the City or any of its property is bound or in any of the obligations, covenants or conditions contained in the Projects Agreement.

Financial Statements The financial statements of the City as and for the period ended June 30, 2023, supplied to the Authority fairly present the financial status and operating results of the City as of such date and for the period covered thereby and there has not been any material adverse change in the financial condition of the City since such date; and to the best knowledge of the City, the Comprehensive Annual Report of the City dated June 30, 2023, heretofore delivered to the Authority does not contain any untrue statement of a material fact and does not omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they are made, not misleading.

The City hereby agrees to supply to the Authority, and to any holder of the Series 2024 Bonds who requests the same, the comprehensive annual financial report and other financial statements prepared by the City no later than December 31 annually, and such other financial information of the City as the Authority may from time to time reasonably request.

Oklahoma Law Applicable It is the intention of the parties that the laws of the State of Oklahoma shall govern the validity of the Projects Agreement, the construction of its terms and interpretation of the rights and duties of the parties.

Amendments No amendment or modification hereof shall be deemed valid unless first reduced to writing and signed and dated by both parties hereto and unless written consent of the Bondholders has been obtained as more fully set forth in the Bond Indenture. Fully executed copies of the Projects Agreement shall be deemed for all purposes as duplicate originals.

Severability Should any section, clause or provision of the Projects Agreement be invalid or void for any reason, such invalid or void section, clause or provision shall not affect the whole of this instrument, but the balance of the provisions hereof shall remain in full force and effect.

EXHIBIT "D"
FORM OF LEGAL OPINIONS

April 9, 2024

Trustees of the Tulsa Public Facilities Authority
Tulsa, Oklahoma

Re: \$6,925,000 Tulsa Public Facilities Authority Capital Improvement Revenue Bonds, Series 2024, dated of even date herewith.

Gentlemen:

We have acted as Bond Counsel to the Tulsa Public Facilities Authority (the "Authority") in connection with the issuance and sale of the captioned Bonds (the "Bonds").

In connection with the opinions expressed below, we have examined (i) originals or certified copies of the proceedings relating to the issuance of the Bonds, as contained in a Transcript of Proceedings had in connection therewith, and (ii) executed Bond No. R-1. In addition, we have examined such other documents and instruments as we have deemed necessary to express the opinions hereinafter set forth. As to questions of fact material to our opinion we have relied upon the Transcript of Proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon our examination of all of the foregoing, and in reliance thereon, and on all matters of fact as we deem relevant under the circumstances, and upon consideration of applicable laws, we are of the opinion that:

1. The Authority is a duly created and validly existing public trust under the laws of the State of Oklahoma.
2. The Master Bond Indenture, dated as of May 1, 2020, as amended and supplemented by the Third Supplemental Bond Indenture, dated as of April 1, 2024 (collectively the "Bond Indenture"), authorizing the issuance of the Bonds each have been duly and lawfully authorized by the Authority and BOKF, National Association, Tulsa, Oklahoma, , as trustee (the "Trustee"), and such Bond Indenture is in full force and effect and is a valid and binding obligation of the Authority enforceable upon the Authority. The Bond Indenture creates the valid pledge of the Trust Estate (as defined in such Bond Indenture) that it purports to create.
3. The Bonds have been duly authorized, executed and delivered by the Authority and are valid and binding special obligations of the Authority, payable solely from the sources provided therefor in the Bond Indenture.
4. The form of Bond No. R-1 and its execution are regular and proper.

5. The interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. For tax years beginning after December 31, 2022, interest on the Bonds may affect the federal alternative minimum tax imposed on certain corporations. The opinion set forth above is subject to the condition that the Authority comply with all requirements of the Internal Revenue Code of 1986, as amended, (the "Code") that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be (or continue to be) excluded from gross income for federal income tax purposes. Failure to comply with such requirements could cause the interest on the Bonds to be so included in gross income retroactive to the date of issuance of the Bonds. The Authority has covenanted to comply with all such requirements. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

6. The interest on the Bonds is excluded from gross income for State of Oklahoma tax purposes.

It is to be understood that the rights of the holders of the Bonds and the enforceability thereof and of the Bond Indenture may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

Respectfully submitted,

EXHIBIT "E"

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the Tulsa Public Facilities Authority (the "Issuer") in connection with the issuance of \$6,925,000.00 Capital Improvement Revenue Bonds, Series 2024 (the "Bonds"). The Bonds are being issued pursuant to a Master Bond Indenture, dated as of May 1, 2020 as supplemented and amended by the Third Supplemental Bond Indenture, dated as of April 1, 2024 (the "Indenture"). The Issuer covenants and agrees as follows:

ARTICLE I The Undertaking

Section 1.1. Purpose. This Certificate is being executed and delivered solely to assist the Underwriter in complying with subsection (b)(5) of the Rule.

Section 1.2. Annual Financial Information. (a) The Issuer shall provide Annual Financial Information with respect to each fiscal year of the Issuer, commencing with fiscal year ending June 30, 2023, by no later than 6 months after the end of the respective fiscal year, to the MSRB.

(b) The Issuer shall also provide Annual Financial Information with respect to each fiscal year of the City of Tulsa, commencing with fiscal year ending June 30, 2024, including the City's CAFR and Audited Financial Statements by no later than 6 months after the end of the respective fiscal year, to the MSRB.

(c) The Issuer shall provide, in a timely manner, notice of any failure to provide the Annual Financial Information by the date specified in subsection (a) above to the MSRB.

Section 1.3. Audited Financial Statements. If not provided as part of the Annual Financial Information by the date required by Section 1.2(a) hereof, the Issuer shall provide Audited Financial Statements, for itself and the City when and if available, to the MSRB.

Section 1.4. Listed Event Notices. (a) If a Listed Event occurs, the Issuer shall provide, within 10 business days of the occurrence of the applicable event, notice of such Listed Event to the MSRB on the MSRB's Internet Web Site. Provided that any event under (ii), (vii), (viii), (x), (xiv) or (xv) of the definition of Listed Event must be filed only if the event is material. Notwithstanding the foregoing, notice of a Listed Event described in subsections (viii) and (ix) need not be given under this section any earlier than the notice (if any) of the underlying event is given to holders of affected Bonds pursuant to the Bond Documents.

(b) Any notice of a defeasance of Bonds shall state whether the Bonds have been escrowed to maturity or to an earlier redemption date and the timing of such maturity or redemption.

Section 1.5 Other Information. Nothing in this Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Certificate or any other means of communication, or including any other information in any Annual Financial Information or notice of a Listed Event hereunder, in addition to that which is required by this Certificate. If the Issuer chooses to do so, the Issuer shall have no obligation under this Certificate to update such additional information or include it in any future Annual Financial Information or notice of a Listed Event hereunder.

Section 1.6. Suspension of Obligations. Anything herein to the contrary notwithstanding, the obligations to file Annual Financial Information, Audited Financial Statements, Listed Event Notices and additional information pursuant to Sections 1.2, 1.3, 1.4 and 1.5 hereof may be suspended for so long as the Bonds are eligible for exception from the requirements of the Rule pursuant to Section 15c2-12(d)(1)(iii) thereof, provided that notice of such suspension is filed promptly to the extent and in the manner that otherwise would be required for Annual Financial Information, Audited Financial Statements, Listed Event Notices and such additional information.

Section 1.7. Additional Disclosure Obligations. The Issuer acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Issuer and that, under some circumstances, compliance with this Certificate without additional disclosures or other action may not fully discharge all duties and obligations of the Issuer under such laws.

ARTICLE II

Operating Rules

Section 2.1. Reference to Other Filed Documents. It shall be sufficient for purposes of Section 1.2 hereof if the Issuer provides Annual Financial Information (but not Listed Event notices) by specific reference to documents either (i) available to the public on the MSRB Internet Web Site or (ii) filed with the SEC.

Section 2.2. Submission of Information. Annual Financial Information may be set forth or provided in one document or a set of documents, and at one time or in part from time to time.

Section 2.3. Dissemination Agents. The Issuer may from time to time designate an agent to act on its behalf in providing or filing notices, documents and information as required of the Issuer under this Certificate, and revoke or modify any such designation.

Section 2.4. Transmission of Information and Notices. Unless otherwise required by law all notices, documents and information provided to the MSRB shall be provided in an electronic format as prescribed by the MSRB (presently the MSRB Internet Web Site), and shall be accompanied by identifying information as prescribed by the MSRB.

Section 2.5. Fiscal Year. (a) The Issuer's current fiscal year is July 1 – June 30, and the Issuer shall promptly provide notice of each change in its fiscal year to the MSRB.

(b) Annual Financial Information shall be provided at least annually notwithstanding any fiscal year longer than 12 calendar months.

ARTICLE III

Effective Date, Termination, Amendment and Enforcement

Section 3.1. Effective Date, Termination. (a) This Certificate shall be effective upon the issuance of the Bonds.

(b) The Issuer's obligations under this Certificate shall terminate upon a legal defeasance, prior redemption or payment in full of all of the Bonds.

(c) This Certificate, or any provision hereof, shall be null and void in the event that (1) the Issuer obtains an opinion of Counsel, addressed to the Issuer to the effect that those portions of the Rule which require this Certificate, or such provision, as the case may be, do not or no longer apply to the Bonds, whether because such portions of the Rule are invalid, have been repealed, or otherwise, as shall be specified in such opinion, and (2) the Issuer delivers a copy of such opinion within one Business Day after receipt by the Issuer to the MSRB.

Section 3.2. Amendment. (a) This Certificate may be amended, without the consent of the holders of the Bonds (except to the extent required under clause (4)(ii) below), if all of the following conditions are satisfied: (1) such amendment is made in connection with a change in circumstances that arises from a change in legal (including regulatory) requirements, a change in law (including rules or regulations) or in interpretations thereof, or a change in the identity, nature or status of the Issuer or the type of business conducted thereby, (2) this Certificate as so amended would have complied with the requirements of the Rule as of the date of this Certificate, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, (3) the Issuer shall have obtained an opinion of Counsel, addressed to the Issuer to the same effect as set forth in clause (2) above, (4) either (i) the Issuer shall have obtained an opinion of Counsel or a determination by a person, in each case unaffiliated with the Issuer (such as bond counsel), and addressed to the Issuer, to the effect that the amendment does not materially impair the interests of the holders of the Bonds or (ii) the holders of the Bonds consent to the amendment to this Certificate, and (5) the Issuer shall have delivered copies of such opinion(s) and amendment to the MSRB within one Business Day after receipt by the Issuer.

(b) In addition to subsection (a) above, this Certificate may be amended without the consent of the holders of the Bonds, if all of the following conditions are satisfied: (1) an amendment to the Rule is adopted, or a new or modified official interpretation of the Rule is issued, after the effective date of this Certificate which is applicable to this Certificate, (2) the Issuer shall have obtained an opinion of Counsel, addressed to the Issuer, to the effect that performance by the Issuer under this Certificate as so amended will not result in a violation of the Rule and (3) the Issuer shall have delivered copies of such opinion and amendment to the MSRB within one Business Day after receipt by the Issuer.

(c) This Certificate may be amended without the consent of the holders of the Bonds, to amend the information and dates specified in Section 1.4(a) hereof.

(d) This Certificate may be amended without the consent of the holders of the Bonds, if all of the following conditions are satisfied: (1) the Issuer shall have obtained an opinion of Counsel, addressed to the Issuer, to the effect that the amendment is permitted by rule, order or other official pronouncement, or is consistent with any interpretive advice or no-action positions of staff of the SEC, and (2) the Issuer shall have delivered copies of such opinion and amendment to the MSRB within one Business Day after receipt by the Issuer.

(e) To the extent any amendment to this Certificate results in a change in the type of financial information or operating data provided pursuant to this Certificate, the first Annual Financial Information provided thereafter shall include a narrative explanation of the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

(f) If an amendment is made pursuant to Section 3.2 (a) hereof to the accounting principles to be followed by the Issuer in preparing its financial statements, the Annual Financial Information for the fiscal year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. Such comparison shall include a qualitative and, to the extent reasonably feasible, quantitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information.

Section 3.3. Benefit; Third-Party Beneficiaries; Enforcement. (a) The provisions of this Certificate shall constitute a contract with and inure solely to the benefit of the holders from time to time of the Bonds, except that (i) beneficial owners of Bonds shall be third-party beneficiaries of this Certificate. The provisions of this Certificate shall create no rights in any person or entity except as provided in this subsection (a) and in subsection (b) of this Section.

(b) The obligations of the Issuer to comply with the provisions of this Certificate shall be enforceable by any holder of Outstanding Bonds. The holders' rights to enforce the provisions of this Certificate shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the Issuer's obligations under this Certificate. In consideration of the third-party beneficiary status of beneficial owners of Bonds pursuant to subsection (a) of this Section, beneficial owners shall be deemed to be holders of Bonds for purposes of this subsection (b).

(c) Any failure by the Issuer to perform in accordance with this Certificate shall not constitute a default under the Bonds.

(d) This Certificate shall be construed and interpreted in accordance with the laws of the State, and any suits and actions arising out of this Certificate shall be instituted in a court of competent jurisdiction in the State; provided, however, that to the extent this Certificate addresses matters of federal securities laws, including the Rule, this Certificate shall be construed in accordance with such federal securities laws and official interpretations thereof.

ARTICLE IV

Definitions

Section 4.1. Definitions. The following terms used in this Certificate shall have the following respective meanings:

(1) “Annual Financial Information” means, collectively, (i) updated versions of the following financial information and operating data contained in the Preliminary Official Statement, for each fiscal year of the Issuer, as follows:

The financial information and operating data of the type set forth in Exhibits A and B of the Preliminary Official Statement that is included in the City’s Comprehensive Annual Financial Report; and (ii) the information regarding amendments to this Certificate required pursuant to Sections 3.2(e) and (f) of this Certificate. Annual Financial Information shall include Audited Financial Statements, if available, or Unaudited Financial Statements.

The descriptions contained in Section 4.1(1)(i) hereof of financial information and operating data constituting Annual Financial Information are of general categories of financial information and operating data. When such descriptions include information that no longer can be generated because the operations to which it related have been materially changed or discontinued, a statement to that effect shall be provided in lieu of such information. Any Annual Financial Information containing modified financial information or operating data shall explain, in narrative form, the reasons for the modification and the impact of the modification on the type of financial information or operating data being provided.

(2) “Audited Financial Statements” means the annual financial statements, if any, of the Issuer, audited by such auditor as shall then be required or permitted by State law. Audited Financial Statements shall be prepared in accordance with GAAP; provided, however, that pursuant to Sections 3.2(a) and (f) hereof, the Issuer may from time to time, if required by Federal or State legal requirements, modify the accounting principles to be followed in preparing its financial statements. The notice of any such modification required by Section 3.2(a) hereof shall include a reference to the specific Federal or State law or regulation describing such accounting principles, or other description thereof.

(3) “Counsel” means Hilborne & Weidman, A Professional Corporation, Tulsa, Oklahoma or other nationally recognized bond counsel or counsel expert in federal securities laws.

(4) “Financial Obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

(5) “GAAP” means generally accepted accounting principles as prescribed from time to time for governmental units by the Governmental Accounting Standards Board, or any successor to the duties or responsibilities thereof.

(6) “Internet Web Site” means the MSRB’s Electronic Municipal Market Access (EMMA) system, presently at <http://emma.msrb.org>.

(7) “Listed Event” means any of the following events with respect to the Bonds whether relating to the Issuer or otherwise:

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the IRS of proposed or final determinations of taxability, notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) modifications to rights of Bondholders, if material;
- (viii) bond calls, if material, and tender offers;
- (ix) defeasances;
- (x) release, substitution or sale of property securing repayment of the Bonds, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership or similar event of the obligated person;
- (xiii) consummation of a merger, consolidation, or acquisition involving an obligated person, or the sale of all or substantially all the assets of the obligated person, other than in the ordinary course of business, the entry of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to such actions, other than pursuant to its terms, if material;
- (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (xv) incurrence of a financial obligation of an obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and
- (xvi) default, events of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(8) “MSRB” means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of the MSRB contemplated by this Certificate.

(9) “Preliminary Official Statement” means the Preliminary Official Statement of the Issuer relating to the Bonds.

(10) “Rule” means Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934 (17 CFR Part 240, §240.15c2-12), as amended, as in effect on the date of this Certificate, including any official interpretations thereof issued either before or after the effective date of this Certificate which are applicable to this Certificate.

(11) “SEC” means the United States Securities and Exchange Commission.

(12) “Unaudited Financial Statements” means the same as Audited Financial Statements, except that they shall not have been audited.

ARTICLE V **Miscellaneous**

Section 5.1 Counterparts. This Certificate may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Date: April 1, 2024

TULSA PUBLIC FACILITIES AUTHORITY

Chair of Trustees

ATTEST:

Secretary of Trustees

(SEAL)