

**TULSA PUBLIC FACILITIES AUTHORITY**

**(A Component Unit of the City of Tulsa, Oklahoma)**

**FINANCIAL REPORT**

**June 30, 2022**

**TULSA PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
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**June 30, 2022**

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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 blended component unit of the City of Tulsa, Oklahoma, as of and for the year ended June 30, 2022, 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 financial position of the Authority, as of June 30, 2022 and the changes in financial position and its cash flows 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.

### ***Emphasis of Matter***

As discussed in Note 2 of the financial statements, the Authority adopted GASB Statement No. 87, *Leases*, as of July 1, 2021. As a result of the adoption, the Authority restated beginning net position and other lease-related items in the financial statements. Our opinion is not modified with respect to this matter.

### ***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 opinion. 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:

- 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.

*RSM US LLP*

Kansas City, Missouri  
December 22, 2022

**TULSA PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)**  
**June 30, 2022**

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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, 2022. 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 \$196,761. Of this amount, \$178,114 is the net investment in capital assets, \$1,409 is restricted for debt service, \$3,228 is restricted for capital projects, \$3,654 is restricted for other purposes and \$10,356 is unrestricted and may be used to meet the Authority's ongoing obligations.
- The Authority's net position decreased \$12,149 to \$196,761 as of June 30, 2022.
- The Authority's total liabilities decreased by \$51,031 as of June 30, 2022.
- The Authority's operating revenues increased by \$11,124 for the year-ended June 30, 2022.

**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 Arena, and the Cox Business Convention Center facilities.

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. 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.

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**June 30, 2022**

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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 \$12,149 to \$196,761 at June 30, 2022. The following table provides a summary of net position:

SUMMARY OF NET POSITION

	<b>2022</b>	<b>2021 (restated)</b>	<b>Dollar Change</b>	<b>Percent Change</b>
Current assets	\$ 96,713	\$ 90,312	\$ 6,401	7.1%
Capital assets, net	232,789	248,075	(15,286)	(6.2%)
Other assets	318,604	378,763	(60,159)	(15.9%)
<b>Total assets</b>	<b>648,106</b>	<b>717,150</b>	<b>(69,044)</b>	<b>(9.6%)</b>
Deferred outflow of resources	773	924	(151)	(16.3%)
Current liabilities	69,380	65,402	3,978	6.1%
Noncurrent liabilities	315,745	370,754	(55,009)	(14.8%)
<b>Total liabilities</b>	<b>385,125</b>	<b>436,156</b>	<b>(51,031)</b>	<b>(11.7%)</b>
Deferred inflow of resources	66,993	73,008	(6,015)	(8.2%)
Net investment in capital assets	178,114	182,251	(4,137)	(2.3%)
Restricted	8,291	4,882	3,409	69.8%
Unrestricted	10,356	21,777	(11,421)	(52.4%)
<b>Net position</b>	<b>\$ 196,761</b>	<b>\$ 208,910</b>	<b>\$ (12,149)</b>	<b>(5.8%)</b>

Current assets increased \$6,401 primarily due to a \$3,569 increase in cash and cash equivalents and a \$1,645 increase in advance to the City. Other assets decreased \$60,159 primarily due to a \$71,184 decrease in cash and cash equivalents as bond proceeds are advanced to the City offset by payments from the City on advances. Noncurrent liabilities decreased \$55,009, primarily due to regularly scheduled debt payments.

**TULSA PUBLIC FACILITIES AUTHORITY**  
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**June 30, 2022**

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**SUMMARY OF CHANGES IN NET POSITION**

	<b>2022</b>	<b>2021 (not restated)</b>	<b>Dollar Change</b>	<b>Percent Change</b>
Operating revenues	\$ 31,343	\$ 20,219	\$ 11,124	55.0%
Nonoperating revenues	3,964	2,577	1,387	53.8%
<b>Total revenues</b>	<b>35,307</b>	<b>22,796</b>	<b>12,511</b>	<b>54.9%</b>
Operating expenses	41,049	33,222	7,827	23.6%
Nonoperating expenses	2,022	2,147	(125)	(5.8%)
<b>Total expenses</b>	<b>43,071</b>	<b>35,369</b>	<b>7,702</b>	<b>21.8%</b>
Income (loss) before contributions	(7,764)	(12,573)	4,809	(38.2%)
Capital contributions	(4,500)	1,335	(5,835)	(437.1%)
Contributions from the City	115	5,713	(5,598)	(98.0%)
<b>Change in net position</b>	<b>(12,149)</b>	<b>(5,525)</b>	<b>(6,624)</b>	<b>(119.9%)</b>
Net position, beginning of year	209,307	214,832	(5,525)	(2.6%)
Restatement	(397)	-	(397)	100.0%
Net position, beginning of year as restated	<u>208,910</u>	<u>214,832</u>	<u>(5,922)</u>	<u>(2.8%)</u>
Net position, end of year	<u>\$ 196,761</u>	<u>\$ 209,307</u>	<u>\$ (12,546)</u>	<u>(6.0%)</u>

In 2022, the Authority's operating revenues increased \$11,124 or 55.0% due primarily to significant increases in facilities revenue at the BOK Arena and CBCC related to the COVID-19 pandemic resulting in fewer 2021 events.

In 2022, the Authority's operating expenses increased \$7,827 or 23.6% due primarily to increased events including higher staffing costs at the BOK Arena and CBCC.

Capital contributions increased \$5,835 primarily due to land contributed to the City. Capital contributions from the City decreased \$5,598 or 98.0% for decreased construction projects at the Cox Business Convention Center.



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**Capital Assets**

The Authority's investment in capital assets as of June 30, 2022 was \$232,789 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, parking garage, leasehold improvements and artwork. Land decreased as a result of transferring a parcel of land to the City. Equipment increases related to wireless network improvements in the arena and convention facilities.

**CAPITAL ASSETS**

	<b>2022</b>	<b>2021 (restated)</b>	<b>Dollar Change</b>	<b>Percent Change</b>
Land	\$ 12,937	\$ 17,437	\$ (4,500)	(25.8%)
Artwork	1,128	1,028	100	9.7%
Construction-in-progress	1	78	(77)	(98.7%)
Land improvements	50,867	50,867	-	0.0%
Buildings	306,600	306,523	77	0.0%
Parking garage	4,273	4,273	-	0.0%
Equipment	42,544	41,366	1,178	2.8%
	<u>418,350</u>	<u>421,572</u>	<u>(3,222)</u>	<u>(0.8%)</u>
Less accumulated depreciation	<u>(185,561)</u>	<u>(173,497)</u>	<u>(12,064)</u>	<u>7.0%</u>
Capital assets, net	<u>\$ 232,789</u>	<u>\$ 248,075</u>	<u>\$ (15,286)</u>	<u>(6.2%)</u>

**Noncurrent Liabilities**

The Authority's debt outstanding decreased \$48,030 to \$352,040 at June 30, 2022. The change is primarily a result of the regular principal payments. More detailed information about the Authority's debt is presented in Note 10.

**OUTSTANDING DEBT**

	<b>2022</b>	<b>2021</b>	<b>Dollar Change</b>	<b>Percent Change</b>
<b>One Technology Center:</b>				
Series 2017A Refunding	\$ 34,185	\$ 34,185	\$ -	0.0%
Series 2017B Refunding	18,605	20,945	(2,340)	(11.2%)
	<u>52,790</u>	<u>55,130</u>	<u>(2,340)</u>	
<b>Arena and Convention:</b>				
Series 2008	<u>4,090</u>	<u>5,065</u>	<u>(975)</u>	<u>(19.2%)</u>
<b>Financing Funds:</b>				
Series 2017	86,410	93,840	(7,430)	(7.9%)
Series 2018	99,830	105,100	(5,270)	(5.0%)
Series 2019	83,930	113,895	(29,965)	(26.3%)
Series 2020	21,265	22,725	(1,460)	(6.4%)
Series 2021	3,725	4,315	(590)	100.0%
	<u>295,160</u>	<u>339,875</u>	<u>(44,715)</u>	
Total debt	<u>\$ 352,040</u>	<u>\$ 400,070</u>	<u>\$ (48,030)</u>	<u>(12.0%)</u>

**TULSA PUBLIC FACILITIES AUTHORITY**  
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**MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)**  
**June 30, 2022**

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**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The Authority's appointed officials considered many factors when setting the 2023 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 demand and adhering to local health department guidelines for events. Events are expected to increase in 2023 with safety protocols in place and public desire to attend events.

At the national level, unemployment decreased to 3.6% at the end of fiscal year 2022; a decrease of 2.3% from the end of fiscal year 2021. Unemployment in the City was slightly below the national level during fiscal year 2022. The rate was 3.5% at the end of fiscal year 2022 compared to 3.9% at the end of fiscal year 2021. The Authority continues to have consistent accounts receivable collections.

Office space vacancy rates in the City increased from 16.3% to 16.8% between July 2021 to June 2022. The commercial real estate leasing environment in Tulsa slightly increased over the course of the year with hybrid work models, lingering uncertainty in the economy and a flight to quality space with reduced square footage needs continue to heavily influence activity levels.

BOK Arena continues to maintain its status as one of the world's busiest concert venues. In 2016 and 2018, BOK Arena was named Arena of the Year by the International Entertainment Buyers Association (IEBA).

The Cox Business Convention Center earned the 2021 Centers of Excellence distinction.

**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.

**TULSA PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**STATEMENT OF NET POSITION**  
**June 30, 2022**

(in thousands of dollars)

	<u>One Technology Center</u>	<u>Arena and Convention</u>	<u>Financing- Advance Funding Sales Tax Projects</u>	<u>Financing- Stormwater Revenue Bonds Project</u>	<u>Nonmajor - Other Financing Fund</u>	<u>Business-Type Activities Total</u>
<b><u>ASSETS</u></b>						
<b>Current assets:</b>						
Cash and cash equivalents	\$ 7,330	\$ 10,100	\$ -	\$ -	\$ -	\$ 17,430
Cash and cash equivalents, restricted	1,548	11,213	9,946	353	163	23,223
Interest receivable	18	6	54	5	-	83
Accounts receivable, net	150	2,539	-	-	-	2,689
Lease receivable	4,510	-	-	-	-	4,510
Advance to City	-	-	45,593	1,483	-	47,076
Advance to related entity	-	-	-	-	603	603
Prepaid expenses	-	712	-	-	-	712
Inventory	-	387	-	-	-	387
	<u>13,556</u>	<u>24,957</u>	<u>55,593</u>	<u>1,841</u>	<u>766</u>	<u>96,713</u>
<b>Noncurrent assets:</b>						
Cash and cash equivalents, restricted	4,281	1,601	119,527	10,638	-	136,047
Advance to City	-	-	106,445	9,829	-	116,274
Advance to related entity	-	-	-	-	3,044	3,044
Lease receivable	63,239	-	-	-	-	63,239
Nondepreciable capital assets	4,136	9,930	-	-	-	14,066
Depreciable capital assets, net	36,737	181,986	-	-	-	218,723
Total assets	<u>\$ 121,949</u>	<u>\$ 218,474</u>	<u>\$ 281,565</u>	<u>\$ 22,308</u>	<u>\$ 3,810</u>	<u>\$ 648,106</u>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>						
Deferred charge on refunding	\$ 544	\$ -	\$ -	\$ -	\$ -	\$ 544
Pension related amounts	220	-	-	-	-	220
Other postemployment benefit related amounts	9	-	-	-	-	9
Total deferred outflows of resources	<u>\$ 773</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 773</u>

(Continued)

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 NET POSITION (continued)**  
**June 30, 2022**

(in thousands of dollars)

	One Technology Center	Arena and Convention	Financing- Advance Funding Sales Tax Projects	Financing- Stormwater Revenue Bonds Project	Nonmajor - Other Financing Fund	Business-Type Activities Total
<b>LIABILITIES</b>						
<b>Current liabilities:</b>						
Accounts payable and accrued expenses	\$ 981	\$ 2,941	\$ -	\$ -	\$ -	\$ 3,922
Retainage payable	5	-	-	-	-	5
Unearned revenue	119	6,336	-	-	-	6,455
Advance ticket sales	-	7,560	-	-	-	7,560
Accrued bond interest payable	142	62	1,564	106	13	1,887
Current portion of revenue bonds	2,405	855	44,175	1,480	600	49,515
Current portion of other long-term liabilities	36	-	-	-	-	36
	<u>3,688</u>	<u>17,754</u>	<u>45,739</u>	<u>1,586</u>	<u>613</u>	<u>69,380</u>
<b>Noncurrent liabilities:</b>						
Deposits subject to refunds	40	-	-	-	-	40
Unearned revenue	-	517	-	-	-	517
Revenue bonds payable, net of current portion	50,385	3,235	225,995	19,785	3,125	302,525
Unamortized premium	916	-	10,013	937	72	11,938
Unamortized discount	(357)	-	(182)	-	-	(539)
Other long-term liabilities, net of current portion	1,264	-	-	-	-	1,264
	<u>52,248</u>	<u>3,752</u>	<u>235,826</u>	<u>20,722</u>	<u>3,197</u>	<u>315,745</u>
Total liabilities	<u>\$ 55,936</u>	<u>\$ 21,506</u>	<u>\$ 281,565</u>	<u>\$ 22,308</u>	<u>\$ 3,810</u>	<u>\$ 385,125</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Lease related	\$ 66,474	\$ -	\$ -	\$ -	\$ -	\$ 66,474
Deferred gain on refunding	434	-	-	-	-	434
Pension related amounts	79	-	-	-	-	79
Other postemployment benefit related amounts	6	-	-	-	-	6
Total deferred inflows of resources	<u>\$ 66,993</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 66,993</u>
<b>NET POSITION</b>						
Net investment in capital assets	(11,312)	189,426	-	-	-	178,114
Restricted for:						
Debt service	1,409	-	-	-	-	1,409
Capital projects	3,228	-	-	-	-	3,228
Other purposes	-	3,654	-	-	-	3,654
Unrestricted	<u>6,468</u>	<u>3,888</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,356</u>
Total net position (deficit)	<u>\$ (207)</u>	<u>\$ 196,968</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 196,761</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, 2022**

(in thousands of dollars)

	One Technology Center	Arena and Convention	Financing- Advance Funding Sales Tax Projects	Financing- Stormwater Revenue Bonds Project	Nonmajor - Other Financing Fund	Business-Type Activities Total
<b>Operating revenues:</b>						
Lease revenue	\$ 7,733	\$ -	\$ -	\$ -	\$ -	\$ 7,733
Facilities revenue	-	13,988	-	-	-	13,988
Sponsorship and naming rights revenue	-	1,386	-	-	-	1,386
Parking facilities revenue	707	-	-	-	-	707
Advance/loan investment income	-	-	6,946	470	30	7,446
Other	50	33	-	-	-	83
	<u>8,490</u>	<u>15,407</u>	<u>6,946</u>	<u>470</u>	<u>30</u>	<u>31,343</u>
<b>Operating expenses:</b>						
Personal services	1,008	-	-	-	-	1,008
Materials and supplies	116	504	-	-	-	620
Facility operator services	-	8,428	-	-	-	8,428
Services and charges	4,987	6,398	4	1	8	11,398
Interest and amortization expense	-	-	7,026	476	29	7,531
Depreciation and amortization	1,382	10,682	-	-	-	12,064
	<u>7,493</u>	<u>26,012</u>	<u>7,030</u>	<u>477</u>	<u>37</u>	<u>41,049</u>
<b>Operating income (loss)</b>	<u>997</u>	<u>(10,605)</u>	<u>(84)</u>	<u>(7)</u>	<u>(7)</u>	<u>(9,706)</u>
<b>Nonoperating revenues (expenses):</b>						
Investment income (loss)	(295)	(70)	84	7	-	(274)
Interest and amortization expense	(1,730)	(292)	-	-	-	(2,022)
Interest on lease receivable	2,366	-	-	-	-	2,366
Operating subsidy from the City	351	1,521	-	-	-	1,872
	<u>692</u>	<u>1,159</u>	<u>84</u>	<u>7</u>	<u>-</u>	<u>1,942</u>
<b>Income (loss) before contributions</b>	<u>1,689</u>	<u>(9,446)</u>	<u>-</u>	<u>-</u>	<u>(7)</u>	<u>(7,764)</u>
Capital contribution to the City	-	-	-	-	(4,500)	(4,500)
Capital contributions from the City	-	115	-	-	-	115
	<u>-</u>	<u>115</u>	<u>-</u>	<u>-</u>	<u>(4,500)</u>	<u>(4,385)</u>
Change in net position	1,689	(9,331)	-	-	(4,507)	(12,149)
Net position (deficit), beginning of year	(1,499)	206,299	-	-	4,507	209,307
Adjustment applicable to prior periods	(397)	-	-	-	-	(397)
Net position (deficit), beginning of year as restated	<u>(1,896)</u>	<u>206,299</u>	<u>-</u>	<u>-</u>	<u>4,507</u>	<u>208,910</u>
Net position (deficit), end of year	<u>\$ (207)</u>	<u>\$ 196,968</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 196,761</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, 2022**

(in thousands of dollars)

	<b>One Technology Center</b>	<b>Arena and Convention</b>	<b>Financing- Advance Funding Sales Tax Projects</b>	<b>Financing- Stormwater Revenue Bonds Project</b>	<b>Nonmajor - Other Financing Fund</b>	<b>Business-Type Activities Total</b>
<b>Cash flows from operating activities:</b>						
Receipts from customers	\$ 7,235	\$ 15,396	\$ -	\$ -	\$ -	\$ 22,631
Payments to suppliers and service providers	(4,542)	(14,298)	(5)	(1)	(8)	(18,854)
Payments to employees for salaries and benefits	(990)	-	-	-	-	(990)
Payments to City	-	-	(58,935)	(7,286)	-	(66,221)
Payments from City	-	-	53,618	2,139	-	55,757
Payments from related entity	-	-	-	-	650	650
Net cash provided (used) by operating activities	<u>1,703</u>	<u>1,098</u>	<u>(5,322)</u>	<u>(5,148)</u>	<u>642</u>	<u>(7,027)</u>
<b>Cash flows from noncapital financing activities:</b>						
Operating subsidy from the City	351	1,521	-	-	-	1,872
Principal paid on revenue bonds	-	-	(42,665)	(1,460)	(590)	(44,715)
Interest paid on revenue bonds	-	-	(12,609)	(682)	(58)	(13,349)
Net cash provided (used) by noncapital financing activities	<u>351</u>	<u>1,521</u>	<u>(55,274)</u>	<u>(2,142)</u>	<u>(648)</u>	<u>(56,192)</u>
<b>Cash flows from capital and related financing activities:</b>						
Acquisition of capital assets	-	(1,201)	-	-	-	(1,201)
Capital contributions from the City	-	115	-	-	-	115
Principal paid on revenue bonds	(2,340)	(975)	-	-	-	(3,315)
Interest paid on revenue bonds	(1,735)	(307)	-	-	-	(2,042)
Lease interest received	2,366	-	-	-	-	2,366
Net cash used by capital and related financing activities	<u>(1,709)</u>	<u>(2,368)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,077)</u>
<b>Cash flows from investing activities:</b>						
Investment income (loss)	(289)	(66)	33	3	-	(319)
Net cash provided (used) by investing activities	<u>(289)</u>	<u>(66)</u>	<u>33</u>	<u>3</u>	<u>-</u>	<u>(319)</u>
<b>Net change in cash and cash equivalents</b>	<b>56</b>	<b>185</b>	<b>(60,563)</b>	<b>(7,287)</b>	<b>(6)</b>	<b>(67,615)</b>
Cash and cash equivalents, beginning of year	<u>13,103</u>	<u>22,729</u>	<u>190,036</u>	<u>18,278</u>	<u>169</u>	<u>244,315</u>
Cash and cash equivalents, end of year	<u>\$ 13,159</u>	<u>\$ 22,914</u>	<u>\$ 129,473</u>	<u>\$ 10,991</u>	<u>\$ 163</u>	<u>\$ 176,700</u>

(Continued)

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, 2022**

(in thousands of dollars)

	<u>One Technology Center</u>	<u>Arena and Convention</u>	<u>Financing- Advance Funding Sales Tax Projects</u>	<u>Financing- Stormwater Revenue Bonds Project</u>	<u>Nonmajor - Other Financing Fund</u>	<u>Business-Type Activities Total</u>
<b>Cash and cash equivalents, end of year</b>	\$ 13,159	\$ 22,914	\$ 129,473	\$ 10,991	\$ 163	\$ 176,700
<b>Reconciliation of cash and cash equivalents to the Statement of Net Position</b>						
Unrestricted cash and cash equivalents	\$ 7,330	\$ 10,100	\$ -	\$ -	\$ -	\$ 17,430
Current restricted cash and cash equivalents	1,548	11,213	9,946	353	163	23,223
Noncurrent restricted cash and cash equivalents	4,281	1,601	119,527	10,638	-	136,047
Total cash and cash equivalents	<u>\$ 13,159</u>	<u>\$ 22,914</u>	<u>\$ 129,473</u>	<u>\$ 10,991</u>	<u>\$ 163</u>	<u>\$ 176,700</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>						
Operating income (loss)	\$ 997	\$ (10,605)	\$ (84)	\$ (7)	\$ (7)	\$ (9,706)
Adjustments:						
Depreciation and amortization	1,382	10,682	-	-	-	12,064
Change in accounts receivable and other assets	4,440	(1,142)	-	-	-	3,298
Change in inventories	152	-	-	-	-	152
Change in deferred inflows of resources	(5,974)	-	-	-	-	(5,974)
Change in accounts payable and other liabilities	375	1,224	-	-	-	1,599
Change in net pension liability	351	-	-	-	-	351
Change in deferred outflows of resources	(11)	-	-	-	-	(11)
Change in deferred revenue	3	939	-	-	-	942
Change in OPEB	(12)	-	-	-	-	(12)
Change in financing assets	-	-	-	-	649	649
Change in financing liabilities	-	-	-	(5,141)	-	(5,141)
Change in advance	-	-	(5,238)	-	-	(5,238)
Net cash provided (used) by operating activities	<u>\$ 1,703</u>	<u>\$ 1,098</u>	<u>\$ (5,322)</u>	<u>\$ (5,148)</u>	<u>\$ 642</u>	<u>\$ (7,027)</u>
<b>Noncash transactions:</b>						
Capital contributions	\$ -	\$ -	\$ -	\$ -	\$ (4,500)	\$ (4,500)

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, 2022**

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**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 One Technology Center (“OTC”), and the BOK Arena and Cox Business Convention Center 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 249,000 square feet is 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 Cox Business Convention Center, opened in 1964, is an award winning venue that houses an exhibit hall and ballroom.

The BOK Arena was constructed as part of Vision 2025, a project to grow economic and community infrastructure for future generations. The BOK Arena 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, 2022**

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**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:**

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

Arena and Convention fund accounts for the operations of the BOK Arena and the Cox Business Convention Center; 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 of Tulsa. 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:**

Other Financing Fund - Capital Improvements Revenue Parking Bond 2021 and Capital Improvements Revenue Bond - issues revenue bonds, the proceeds of which are loaned to the City or to one of its component units. Land was also held by the Capital Improvements Revenue Bond sub fund for possible development, but was transferred to the City in the current year.

**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, 2022**

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**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, 2022**

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**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 Cox Business Convention Center. 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 Arena and Cox Business Convention Center 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.

**TULSA PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**NOTES TO FINANCIAL STATEMENTS (in thousands of dollars)**  
**June 30, 2022**

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**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, 2022**

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**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**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**NOTES TO FINANCIAL STATEMENTS (in thousands of dollars)**  
**June 30, 2022**

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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 Arena and the Cox Business Convention Center; 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 Arena as sponsorship and naming rights revenue.

Operating expenses consist of all costs incurred to administer the OTC building and garage, the BOK Arena, the Cox Business Convention Center, 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. RESTATEMENT**

In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this statement is to better meet the informational needs of financial statement users by improving accounting and financial reporting for leases by governments. The requirements of this statement are effective for reporting periods beginning after December 15, 2021, as postponed by Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*.

**TULSA PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**NOTES TO FINANCIAL STATEMENTS (in thousands of dollars)**  
**June 30, 2022**

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**2. RESTATEMENT, continued**

The Authority adopted the standard as of July 1, 2021, and accordingly the 2022 financial statements have been restated as summarized below.

	<b>2021 Previously Presented OTC</b>	<b>Restatement</b>	<b>2021 as Restated OTC</b>
Capital lease receivable, current	\$ 757	\$ (757)	\$ -
Accounts receivable, net	566	(397)	169
Lease receivable, current	-	4,350	4,350
Capital lease receivable, noncurrent	7,077	(7,077)	-
Lease receivable, noncurrent	-	67,820	67,820
Nondepreciable capital assets	3,164	972	4,136
Depreciable capital assets	31,180	6,862	38,042
Deferred inflows of resources- leases	-	(72,170)	(72,170)
Net deficit, investment in capital assets	(12,347)	(7,834)	(20,181)
Net position, unrestricted	6,529	7,437	13,966
Total net position (deficit)	(1,499)	(397)	(1,896)

	<b>2021 Previously Presented Business-Type Activities Total</b>	<b>Restatement</b>	<b>2021 as Restated Business-Type Activities Total</b>
Capital lease receivable, current	\$ 757	\$ (757)	\$ -
Accounts receivable, net	2,155	(397)	1,758
Lease receivable, current	-	4,350	4,350
Capital lease receivable, noncurrent	7,077	(7,077)	-
Lease receivable, noncurrent	-	67,820	67,820
Nondepreciable capital assets	17,571	972	18,543
Depreciable capital assets	222,670	6,862	229,532
Deferred inflows of resources- leases	-	(72,170)	(72,170)
Net position, investment in capital assets	190,085	(7,834)	182,251
Net position, unrestricted	14,340	7,437	21,777
Total net position	209,307	(397)	208,910

**TULSA PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**NOTES TO FINANCIAL STATEMENTS (in thousands of dollars)**  
**June 30, 2022**

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**3. 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, 2022 the Authority maintained a balance of \$9,373 in the City’s pooled portfolio which represented 0.8% 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, 2022.

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](http://www.cityoftulsa.org).

As of June 30, 2022, the Authority has \$19,269 of cash and cash equivalents separately held for the operations of the BOK Arena and Cox Business Convention Center.

**INVESTMENTS** – The Authority has money market mutual funds of \$148,058 as of June 30, 2022 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.

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 Arena and Cox Business Convention Center 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, 2022 none of the Authority’s deposits and money market accounts of \$177,108 were exposed to custodial credit risk.



**TULSA PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**NOTES TO FINANCIAL STATEMENTS (in thousands of dollars)**  
**June 30, 2022**

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**3. CASH DEPOSITS AND INVESTMENTS, continued**

**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, 2022, consisted of:

Interest and dividend income	\$	162
Advance/loan interest income		7,446
Net decrease in fair value of investments and cash equivalents		(436)
		<u>7,172</u>
	\$	<u>7,172</u>

**4. ACCOUNTS RECEIVABLE**

The accounts receivable balance consists of amounts owed at year end for OTC leasing revenues and BOK Arena and Cox Business Convention Center event revenues.

	<u>OTC</u>	<u>Arena and Convention</u>	<u>Total</u>
Accounts receivable:			
Tenant operating expense reimbursement	\$ 44	\$ -	\$ 44
Parking facility revenue	79	-	79
Event revenue	-	2,447	2,447
Sponsorship revenue	-	125	125
Miscellaneous revenue	27	-	27
Total	150	2,572	2,722
Less: Allowance for doubtful accounts	-	(33)	(33)
Accounts Receivable, net	<u>\$ 150</u>	<u>\$ 2,539</u>	<u>\$ 2,689</u>

**5. 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.

**5. ADVANCES TO/FROM THE CITY AND RELATED ENTITY, continued**

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**ADVANCE FUNDING SALES TAX PROJECTS, continued**

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 \$33,732.

The Authority has an advance to the City of \$152,038 at June 30, 2022 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 \$2,118. The Authority has an advance to the City of \$11,312 at June 30, 2022 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 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 \$3,647 at June 30, 2022 relating to this project.

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**6. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2022 is as follows:

	<b>Beginning Balance Restated</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
Capital assets, not being depreciated:				
Land	\$ 17,437	\$ -	\$ (4,500)	\$ 12,937
Artwork	1,028	-	100	1,128
Construction in progress	78	100	(177)	1
Total capital assets not being depreciated	<u>18,543</u>	<u>100</u>	<u>(4,577)</u>	<u>14,066</u>
Capital assets, being depreciated:				
Land improvements	50,867	-	-	50,867
Buildings	306,523	77	-	306,600
Parking garage	4,273	-	-	4,273
Equipment	41,366	1,101	77	42,544
Total capital assets being depreciated	<u>403,029</u>	<u>1,178</u>	<u>77</u>	<u>404,284</u>
Less accumulated depreciation/amortization:				
Leasehold improvements	(24,457)	(2,035)	-	(26,492)
Buildings	(112,371)	(8,724)	-	(121,095)
Parking garage	(1,623)	(165)	-	(1,788)
Equipment	(35,046)	(1,140)	-	(36,186)
Total accumulated depreciation	<u>(173,497)</u>	<u>(12,064)</u>	<u>-</u>	<u>(185,561)</u>
Total capital assets being depreciated, net	<u>229,532</u>	<u>(10,886)</u>	<u>77</u>	<u>218,723</u>
Capital assets, net	<u>\$ 248,075</u>	<u>\$ (10,786)</u>	<u>\$ (4,500)</u>	<u>\$ 232,789</u>

**7. PENSION PLAN**

**Plan Description** – Employees 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 benefits 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](http://www.cityoftulsa.org).

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**7. 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 percent 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 for the year ended June 30, 2022. The Authority was required to contribute 16.5% of pensionable wages for the year ended June 30, 2022. Actual contributions to the pension plan from the Authority were \$101 for the year ended June 30, 2022.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

The Authority reported a liability of \$1,212 for its proportionate share of the net pension liability as of June 30, 2022. 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 January 1, 2022. Standard update procedures were used to roll forward the total pension liability to June 30, 2022. 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, 2022, the Authority’s proportion was .4759%.

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**7. PENSION PLAN, continued**

The Authority recognized pension expense of \$58 for the year ended June 30, 2022. At June 30, 2022 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	\$ 27	\$ 2
Changes of assumptions	82	32
Net difference between projected and actual earnings on pension plan investments	82	-
Changes in proportion and differences between Authority contributions and proportionate share of contributions	29	45
Total	<u>\$ 220</u>	<u>\$ 79</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:

<b>Year ended June 30</b>	
2023	\$ 56
2024	35
2025	(30)
2026	80
	<u>\$ 141</u>

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**7. PENSION PLAN, continued**

**Actuarial assumptions** – The total pension liability was determined by an actuarial valuation as of January 1, 2022, 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, 2022 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:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
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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**7. 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 June 30, 2022, the employer contribution rate was 16.5% of payroll. Beginning July 1, 2022 and all future years, it is assumed that the employer contribution rate will be 17.65% 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.

	<u>1% Decrease (5.75%)</u>	<u>Current Discount Rate (6.75%)</u>	<u>1% Increase (7.75%)</u>
Authority’s proportionate share of the net pension liability	\$ 1,645	\$ 1,212	\$ 849

*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](http://www.cityoftulsa.org).

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**8. 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, 2022, the Authority reported a liability of \$29 for its proportionate share of the OPEB liability. The total OPEB liability was measured as of June 30, 2022, and was determined by an actuarial valuation as of June 30, 2022. 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, 2022, the Authority’s proportion was 0.5048%.

For the years ended June 30, 2022, the Authority recognized OPEB expense of \$5.



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**8. OTHER POSTEMPLOYMENT BENEFITS (OPEB), continued**

At June 30, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual plan experience	\$ 5	\$ 3
Changes of assumptions	2	3
Changes in proportion and differences between Authority's contributions and proportionate share of contributions	<u>2</u>	<u>-</u>
Total	<u>\$ 9</u>	<u>\$ 6</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:

<u>Year</u>	
2023	\$ 1
2024	1
2025	<u>1</u>
	<u>\$ 3</u>

**Actuarial assumptions** – The total OPEB 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:

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 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, 2022 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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**8. 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 4.09% as of June 30, 2022 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 4.09%, 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 (3.09%) or 1-percentage-point higher (5.09%) than the current rate:

	<b>1% Decrease (3.09%)</b>	<b>Current Discount Rate (4.09%)</b>	<b>1% Increase (5.09%)</b>
Authority's proportionate share of the total OPEB liability	\$ 31	\$ 29	\$ 27

**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:

	<b>1% Decrease (6.5% decreasing to 3.5%)</b>	<b>Current Rate (7.5% decreasing to 4.5%)</b>	<b>1% Increase (8.5% decreasing to 5.5%)</b>
Authority's proportionate share of the total OPEB liability	\$ 26	\$ 29	\$ 32

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**9. UNEARNED REVENUE**

The Authority had the following unearned revenues at June 30, 2022:

	<u>Total</u>	<u>Current</u>	<u>Noncurrent</u>
Arena and Convention - event deposits	\$ 245	\$ 245	\$ -
Arena and Convention - naming rights, advertising, and sponsorships	6,608	6,091	517
One Technology Center - other tenant revenues	119	119	-
	<u>\$ 6,972</u>	<u>\$ 6,455</u>	<u>\$ 517</u>

**10. REVENUE BONDS PAYABLE**

Revenue bonds payable activity for the year ended June 30, 2022 is as follows:

<u>Bond, Series, Maturity Dates</u>	<u>Issue Amount</u>	<u>Interest Rate</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>One Technology Center:</b>							
Lease Revenue							
Refunding Series 2017A, 2037	\$ 34,185	3.125%-4.00%	\$ 34,185	\$ -	\$ -	\$ 34,185	\$ -
Lease Revenue,							
Refunding Series 2017B, 2028	25,465	3.00%-3.10%	20,945	-	(2,340)	18,605	2,405
			<u>55,130</u>	<u>-</u>	<u>(2,340)</u>	<u>52,790</u>	<u>2,405</u>
<b>Arena and Convention:</b>							
Capital Improvements,							
Series 2008, 2027	16,000	6.069%	5,065	-	(975)	4,090	855
<b>Financing- Advanced Funding Sales Tax Projects:</b>							
Capital Improvements,							
Series 2017, 2032	115,300	3.00%	93,840	-	(7,430)	86,410	7,605
Capital Improvements,							
Series 2018, 2031	118,100	4.00%	105,100	-	(5,270)	99,830	7,035
Capital Improvements,							
Series 2019, 2025	113,895	5.00%	113,895	-	(29,965)	83,930	29,535
			<u>312,835</u>	<u>-</u>	<u>(42,665)</u>	<u>270,170</u>	<u>44,175</u>
<b>Financing- Stormwater Revenue Bonds Project:</b>							
Capital Improvements,							
Series 2020, 2035	24,150	3.00%	22,725	-	(1,460)	21,265	1,480
<b>Financing- Parking Revenue Bonds Project:</b>							
Capital Improvements,							
Series 2021, 2028	\$ 4,315	1.25%-2.00%	4,315	-	(590)	3,725	600
Unamortized premiums							
			17,708	-	(5,770)	11,938	-
Unamortized discounts							
			(577)	-	38	(539)	-
			<u>\$ 417,201</u>	<u>\$ -</u>	<u>\$(53,762)</u>	<u>\$363,439</u>	<u>\$ 49,515</u>

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**10. 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>
2023	\$ 49,515	\$ 13,243	\$ 62,758
2024	48,935	11,036	59,971
2025	52,410	8,884	61,294
2026	25,175	6,639	31,814
2027	25,465	5,784	31,249
2028-2032	121,245	15,508	136,753
2033-2037	24,950	2,537	27,487
2038	4,345	68	4,413
	<u>\$ 352,040</u>	<u>\$ 63,698</u>	<u>\$ 415,738</u>

The Authority Lease Revenue Bonds and Capital Improvement Revenue Bonds are subject to acceleration if the Authority defaults.

**11. OTHER LONG-TERM LIABILITIES**

The changes in other long-term liabilities for the year ended June 30, 2022 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	\$ 67	\$ 57	\$ 65	\$ 59	\$ 36
Net pension liability	861	351	-	1,212	-
Total OPEB liability	<u>40</u>	<u>-</u>	<u>11</u>	<u>29</u>	<u>-</u>
Total other long-term liabilities	<u>\$ 968</u>	<u>\$ 408</u>	<u>\$ 76</u>	<u>\$ 1,300</u>	<u>\$ 36</u>

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**12. PLEDGED REVENUE**

**ONE TECHNOLOGY CENTER 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 \$67,901 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 \$4,075. Current year operating revenue totaled \$8,490.

**CAPITAL IMPROVEMENTS SERIES 2008** – The Authority has pledged future sponsorship and naming rights revenues derived from the operation of the BOK Arena 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 Arena and to fund the Bond Reserve Fund in the amount of ten percent 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 \$4,935 with annual requirements ranging from \$674 to \$1,771 through 2027. Annual debt service required 93% of sponsorship and naming right revenues which are pledged towards the debt under the indenture. The Authority paid \$1,282 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 \$313,095 with annual debt service requirements ranging from \$12,770 to \$54,816 through 2032. Principal and interest paid during the year amounted to \$55,274. Sales and use tax recorded during the current fiscal year by the City was \$81,227.

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**12. 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. 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 \$2,139 to the Authority on the Projects Agreement in 2022. Total principal and interest remaining on the debt is \$25,888 with annual requirements ranging from \$1,885 to \$2,118 through 2035. The Authority paid \$2,142 in principal and interest in 2022.

**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 TAEO requiring TAEO to make the principal and interest payments required on the 2021 Capital Improvements Revenue Bonds from TAEO parking facility revenues and other available revenue of TAEO. The TAEO paid \$650 to the Authority on the Projects Agreement in 2022. The total principal and interest remaining on the debt is \$3,919 with annual debt service requirements ranging from \$651 to \$658 through 2028. The Authority paid \$648 in principal and interest payments in 2022.

**TULSA PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**NOTES TO FINANCIAL STATEMENTS (in thousands of dollars)**  
**June 30, 2022**

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**13. OPERATING LEASE REVENUE**

**ONE TECHNOLOGY CENTER LEASES**

The Authority owns the OTC building with commercial office space available. The City leases the building through 2038 and utilizes approximately 40% of the net rentable space with the remaining space available for leasing to other tenants. The Authority recognized \$3,530 in lease revenue and \$1,824 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 739 to 143,242 square feet of net rentable space. At year end, the building was approximately 92% occupied. During the fiscal year, the Authority recognized \$2,165 in lease revenue and \$542 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 \$2,038 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
2023	\$ 2,639	\$ 1,741	\$ 4,380	\$ 1,871	\$ 470	\$ 2,341	\$ 4,510	\$ 2,211	\$ 6,721
2024	2,729	1,655	4,384	2,151	393	2,544	4,880	2,048	6,928
2025	2,824	1,566	4,390	2,005	314	2,319	4,829	1,880	6,709
2026	2,928	1,474	4,402	2,121	235	2,356	5,049	1,709	6,758
2027	3,044	1,378	4,422	1,916	153	2,069	4,960	1,531	6,491
2028 - 2032	17,860	5,268	23,128	2,285	121	2,406	20,145	5,389	25,534
2033 - 2037	21,410	2,117	23,527	-	-	-	21,410	2,117	23,527
2038	1,966	16	1,982	-	-	-	1,966	16	1,982
	<u>\$ 55,400</u>	<u>\$ 15,215</u>	<u>\$ 70,615</u>	<u>\$ 12,349</u>	<u>\$ 1,686</u>	<u>\$ 14,035</u>	<u>\$ 67,749</u>	<u>\$ 16,901</u>	<u>\$ 84,650</u>

**TULSA PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**NOTES TO FINANCIAL STATEMENTS (in thousands of dollars)**  
**June 30, 2022**

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**14. BOK ARENA NAMING RIGHTS AND SPONSORSHIP AGREEMENTS**

The Authority had \$4,862 in naming rights and sponsorships agreements outstanding at June 30, 2022. 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>
2023	1,386
2024	833
2025	722
2026	722
2027	722
2028-2029	477
	<u>\$ 4,862</u>

**15. FACILITIES REVENUE**

The Authority has entered into various agreements for the use of luxury boxes and club seats through 2022. During the year, the Authority recognized \$998 in luxury boxes and \$467 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.

**16. OPERATING AGREEMENTS**

**COX BUSINESS CONVENTION CENTER AND BOK CENTER LEASE AND PROJECT AGREEMENTS** - The Authority has leased the Cox Business Convention Center 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 \$1,521 from the City’s Hotel/Motel Tax to operate and maintain the Facilities.

**COX BUSINESS CONVENTION CENTER 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. The contract is subject to annual appropriations and may be terminated by any party.



**TULSA PUBLIC FACILITIES AUTHORITY**  
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**NOTES TO FINANCIAL STATEMENTS (in thousands of dollars)**  
**June 30, 2022**

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**16. OPERATING AGREEMENTS, continued**

**COX BUSINESS CONVENTION CENTER AND BOK CENTER MANAGEMENT AGREEMENTS, continued**

Under the agreement, for the year ended June 30, 2022, ASM earned an annual base management fee of \$156 for the Cox Business Convention Center and \$156 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 \$146 of incentive fee for the BOK Center and \$156 for the Cox Business Convention Center for the year ended June 30, 2022.

**17. 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.

**18. 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, 2022**

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**19. 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	\$ 351
Lease payments from the City for leased space in OTC	\$ 4,383

**Arena and Convention**

Operating subsidy from the City for the CBCC	\$ 1,521
Capital contributions from the City for capital improvements	\$ 115

**Financing - Advance Funding Sales Tax Projects**

Payments on the advance to the City for capital improvements	\$ 53,618
Payments from the City for bond financing included in advance	\$ 58,935

**Financing - Parking Revenue Bonds Projects**

Payments from the Tulsa Authority for Economic Opportunity related to projects for bond financing included in the advance receivable	\$ 650
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**Financing - Stormwater Revenue Bonds Projects**

Payments on the advance to the City for Stormwater capital improvements	\$ 7,286
Payments from City related to Stormwater projects for bond financing included in the advance receivable	\$ 2,139

**Financing - Capital Improvements Revenue Bond**

Capital contribution of land to the City	\$ 4,500
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**20. COMMITMENTS**

As of June 30, 2022, the Authority had open commitments for construction projects of approximately \$548.

**TULSA PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**NOTES TO FINANCIAL STATEMENTS (in thousands of dollars)**  
**June 30, 2022**

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**21. 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. 91, *Conduit Debt Obligations*, effective for reporting periods beginning after December 15, 2020, subsequently delayed until reporting periods beginning after December 15, 2021, increases the usefulness of governments' financial statements 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. Management is still evaluating the impact this statement will have on the financial statements.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*— Issued in May 2020, this Statement will be effective for the Authority beginning with its fiscal year ending June 30, 2023. 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. Management is still evaluating the impact this statement will have on the financial statements.

**TULSA PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**June 30, 2022**

(in thousands of dollars)

**Municipal Employees' Retirement Plan**  
**Schedule of Proportionate Share – For the current and prior nine years**

<b>Year</b>	<b>Authority's proportion of net pension liability</b>	<b>Authority's proportionate share of net pension liability</b>	<b>Authority's covered payroll</b>	<b>Authority's proportionate share of net pension liability as a percentage of its covered payroll</b>	<b>Plan fiduciary net position as a percentage of total pension liability</b>
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**

<b>Year</b>	<b>Contractually Required Contributions</b>	<b>Actual Contributions</b>	<b>Contribution Deficiency (Excess)</b>	<b>Covered Payroll funded by Authority payments</b>	<b>Actual Contributions as a Percentage of Covered Payroll</b>
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%
2013	45	47	(2)	451	10.4%

**TULSA PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**June 30, 2022**

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(in thousands of dollars)

**Postemployment Benefits Other than Pensions Plan**  
**Schedule of Proportionate Share - For the current and prior six years**

<b>Year</b>	<b>Authority's proportion of total OPEB liability</b>	<b>Authority's proportionate share of total OPEB liability</b>	<b>Authority's covered payroll</b>	<b>Authority's proportionate share of total OPEB liability as a percentage of its covered payroll</b>	<b>Plan fiduciary net position as a percentage of total OPEB liability</b>
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:

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**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**June 30, 2022**

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**Postemployment Benefits Other than Pensions Plan**  
**Schedule of Employer Contributions - Last seven years**

<b>Year</b>	<b>Contractually Required Contributions</b>	<b>Actual Contributions</b>	<b>Contribution Deficiency (Excess)</b>	<b>City's Covered Payroll funded by Authority payments</b>	<b>Actual Contributions as a Percentage of Covered Payroll</b>
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%

**TULSA PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**COMBINING SCHEDULE OF NET POSITION – OTHER FINANCING FUND**  
**June 30, 2022**

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(in thousands of dollars)

	<b>Capital Improvements Revenue Bond</b>	<b>Financing- Parking Bonds Project</b>	<b>Other Financing Fund Total</b>
<b><u>ASSETS</u></b>			
<b>Current assets:</b>			
Cash and cash equivalents, restricted	\$ -	\$ 163	\$ 163
Advance to City	-	603	603
	<u>-</u>	<u>766</u>	<u>766</u>
<b>Noncurrent assets:</b>			
Advance to related entity	-	3,044	3,044
	<u>-</u>	<u>3,044</u>	<u>3,044</u>
Total assets	<u>\$ -</u>	<u>\$ 3,810</u>	<u>\$ 3,810</u>
<b><u>LIABILITIES</u></b>			
<b>Current liabilities:</b>			
Accrued bond interest payable	\$ -	\$ 13	\$ 13
Current portion of revenue bonds	-	600	600
	<u>-</u>	<u>613</u>	<u>613</u>
<b>Noncurrent liabilities:</b>			
Note payable, net of current portion	-	3,125	3,125
Unamortized premium	-	72	72
	<u>-</u>	<u>3,197</u>	<u>3,197</u>
Total liabilities	<u>\$ -</u>	<u>\$ 3,810</u>	<u>\$ 3,810</u>
<b><u>NET POSITION</u></b>			
Investment in capital assets	\$ -	\$ -	\$ -
Restricted for:			
Debt service	-	-	-
Capital projects	-	-	-
Other purposes	-	-	-
Unrestricted	<u>-</u>	<u>-</u>	<u>-</u>
Total net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**TULSA PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET**  
**POSITION – OTHER FINANCING FUND**  
**June 30, 2022**

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(in thousands of dollars)

	<b>Capital Improvements Revenue Bond</b>	<b>Financing- Parking Bonds Project</b>	<b>Other Financing Fund Total</b>
<b>Operating revenues:</b>			
Advance/loan investment income	\$ -	\$ 30	\$ 30
	<u>-</u>	<u>30</u>	<u>30</u>
<b>Operating expenses:</b>			
Other service charges	7	1	8
Interest and amortization expense	-	29	29
	<u>7</u>	<u>30</u>	<u>37</u>
<b>Operating income</b>	<u>(7)</u>	<u>-</u>	<u>(7)</u>
Capital contribution to the City	<u>(4,500)</u>	<u>-</u>	<u>(4,500)</u>
Change in net position	<u>(4,507)</u>		<u>(4,507)</u>
Net position, beginning of year	<u>4,507</u>	<u>-</u>	<u>4,507</u>
Net position, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



**TULSA PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**COMBINING SCHEDULE OF CASH FLOWS – OTHER FINANCING FUND**  
**Year Ended June 30, 2022**

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(in thousands of dollars)	<u>Capital Improvements Revenue Bond</u>	<u>Financing- Parking Bonds Project</u>	<u>Other Financing Fund Total</u>
<b>Cash flows from operating activities:</b>			
Payments to suppliers for goods and services	\$ (7)	\$ (1)	\$ (8)
Payments from related entity	-	650	650
Net cash (used in) provided by operating activities	<u>(7)</u>	<u>649</u>	<u>642</u>
<b>Cash flows from noncapital financing activities:</b>			
Principal paid on revenue bonds	-	(590)	(590)
Interest paid on revenue bonds	-	(58)	(58)
Net cash used by noncapital financing activities	<u>-</u>	<u>(648)</u>	<u>(648)</u>
Net change in cash and cash equivalents	(7)	1	(6)
Cash and cash equivalents, beginning of year	<u>7</u>	<u>162</u>	<u>169</u>
Cash and cash equivalents, end of year	<u>-</u>	<u>163</u>	<u>163</u>
<b>Reconciliation of cash and cash equivalents to the Statement of Net Position</b>			
Current restricted cash and cash equivalents	<u>-</u>	<u>163</u>	<u>163</u>
Total cash and cash equivalents	<u>-</u>	<u>163</u>	<u>163</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>			
Operating income (loss)	(7)	-	(7)
Adjustments:			
Change in financing assets	-	649	649
Net cash (used in) provided by operating activities	<u>\$ (7)</u>	<u>\$ 649</u>	<u>\$ 642</u>
<b>Noncash transactions:</b>			
Capital contributions	\$ 4,500	\$ -	\$ 4,500

**TULSA PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**DEBT COMPLIANCE INFORMATION (unaudited)**  
**June 30, 2022**

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**ONE TECHNOLOGY CENTER**

**Percentage of Occupied Units**

Total occupied	18
Total vacant units	2
Total units	20
Percentage Occupied	90%

**Percentage of Occupied Square Feet**

Total Occupied Square Feet	577,420
Total Vacant Square Feet	49,645
Total Square Footage	627,065
Percentage Occupied	92%

**Major Tenants and Square Feet**

City of Tulsa	248,668
Level 3 Communications, LLP	153,469
Magellan Midstream Partners, LP	96,258