

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

FINANCIAL REPORT
June 30, 2012 and 2011

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
INDEX
June 30, 2012 and 2011

	<u>Page</u>
Independent Auditor's Report	1
Management's Discussion and Analysis	3
Basic Financial Statements	
Statements of Net Position	7
Statements of Revenues, Expenses and Changes in Net Position	9
Statements of Cash Flows	10
Notes to Basic Financial Statements	12
Supplementary Information	
Note to Supplementary Information	25
Combining Schedule of Net Position	26
Combining Schedule of Revenues, Expenses and Changes in Net Position	28
Combining Schedule of Cash Flows	29
Other Statistical Information	31



Independent Auditor's Report

Board of Trustees
Tulsa Parking Authority
Tulsa, Oklahoma

We have audited the accompanying basic financial statements of the Tulsa Parking Authority (the "Authority"), a component unit of the City of Tulsa, Oklahoma, as of and for the years ended June 30, 2012 and 2011, as listed in the table of contents. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Tulsa Parking Authority, as of June 30, 2012 and 2011, and the changes in its financial position and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 11 to the basic financial statements, the Authority adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, which restated beginning net position for items previously reported as assets.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 6 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board (GASB) 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The combining schedules and related note, listed in the table of contents as supplementary information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying other statistical information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the basic financial statements, and accordingly, we do not express an opinion or provide an assurance on it.

McGladrey LLP

Kansas City, Missouri
October 29, 2012

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
Years Ended June 30, 2012 and 2011

As management of the Tulsa Parking Authority (the "Authority"), a component unit of the City of Tulsa, Oklahoma (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 fiscal years ended June 30, 2012 and 2011. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements, which begin on page 7. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- The assets and deferred outflows of resources of the Authority exceeded liabilities at the close of the most recent year by \$15,081 (net position). Of this amount, 1,688 represents unrestricted net position, which may be used to meet the Authority's ongoing obligations.
- The Authority's net position increased from \$11,990 at June 30, 2011 to \$15,081 at June 30, 2012. The Authority's net position increased \$3,091 and \$131, for the years ended June 30, 2012 and 2011, respectively.
- The Authority's total liabilities decreased by \$1,773 at June 30, 2012.

Overview of the Financial Statements

The Authority, a legally separate public trust, is reported by the City as a discretely presented component unit in the City's Comprehensive Annual Financial Report. The purpose of the Authority is to provide parking facilities to the general public.

This discussion and analysis is intended to serve as an introduction to the Authority's financial statements. The financial statements include: 1) statements of net position, (2) statements of revenues, expenses, and changes in net position, 3) statements of cash flows, and 4) notes to the financial statements.

The Authority adopted Governmental Accounting Standards Board Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of resources, and Net Position*, in the current year. The adoption of this Statement changed the presentation of the basic financial statements to a statement of net position format.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
Years Ended June 30, 2012 and 2011

Required Financial Statements

The financial statements of the Authority report information about the Authority 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 inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating. It also provides the basis for assessing the liquidity and financial flexibility of the Authority. All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position. This statement measures the financial success of the Authority's operations over the past year and can be used to determine whether the Authority has successfully recovered all its costs through user fees and other charges, profitability, and credit worthiness. The third required 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. The statement reports cash receipts, cash payments, and changes in cash resulting from operations, investing, and financing activities. The cash flow statement 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.

Net Position

The Authority's net position increased 25.8% from \$11,990 at June 30, 2011 to \$15,081 at June 30, 2012. Net position increased 1.1% from \$11,859 at June 30, 2010 to \$11,990 at June 30, 2011. The following provides a summary of net position:

SUMMARY OF NET POSITION

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Current and other	\$ 5,843	\$ 8,686	\$ 9,387
Capital assets, net	<u>27,932</u>	<u>24,436</u>	<u>24,238</u>
Total assets	<u>33,775</u>	<u>33,122</u>	<u>33,625</u>
Total deferred outflow of resources	<u>901</u>	<u>235</u>	<u>268</u>
Current and other liabilities	847	2,665	1,925
Noncurrent liabilities	<u>18,747</u>	<u>18,702</u>	<u>20,109</u>
Total liabilities	<u>19,594</u>	<u>21,367</u>	<u>22,034</u>
Net investment in capital assets	11,994	8,028	6,822
Restricted	1,399	1,571	2,782
Unrestricted	<u>1,688</u>	<u>2,391</u>	<u>2,255</u>
Total net position	<u>\$ 15,081</u>	<u>\$ 11,990</u>	<u>\$ 11,859</u>

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
Years Ended June 30, 2012 and 2011

In 2012 total assets experienced a net increase of \$652 or 2%. Current and other assets decreased as cash was used to fund capital projects. Capital assets increased related to expansion at the North Parking Garage.

In 2011, total assets decreased by \$503 or 1.5%. Current and other assets decreased as cash provided by nonoperating activities decreased and payments to suppliers decreased. Capital assets increased related to improvements at all of the parking facilities.

Noncurrent Liabilities

In 2012 the Authority's outstanding revenue bond debt decreased 12% to \$17,860 from \$20,285. The decrease is a result of regular debt retirements and refunding the existing debt with new bonds. In 2011 the Authority's outstanding revenue bond debt decreased 6.3% to \$20,285 from \$21,660, due to regularly scheduled debt retirements.

As an issuer of bonds, the Authority is subject to numerous covenants contained within the bond indentures. Additional information regarding the Authority's covenants can be found in Note 4 to the financial statements.

SUMMARY OF CHANGES IN NET POSITION

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Operating revenues	\$ 6,102	\$ 5,688	\$ 5,714
Capital contributions	2,625	75	1,363
Investment income	2	24	59
Total revenues	<u>8,729</u>	<u>5,787</u>	<u>7,136</u>
Depreciation expense	901	870	791
Other operating expense	3,603	3,858	3,288
Nonoperating expense	1,134	928	976
Total expenses	<u>5,638</u>	<u>5,656</u>	<u>5,055</u>
Change in net position	3,091	131	2,081
Net position, beginning of year, as restated	<u>11,990</u>	<u>11,859</u>	<u>9,778</u>
Net position, end of year	<u>\$ 15,081</u>	<u>\$ 11,990</u>	<u>\$ 11,859</u>

In 2012, the Authority's total revenues increased \$2,942 or 50.8% and total expenses decreased \$18 or 0.3%. Revenues exceeded expenses resulting in an increase in net position of \$3,091.

In 2011, the Authority's total revenues decreased \$1,349 or 18.9% and total expenses increased \$601 or 11.9%. Revenues exceeded expenses resulting in an increase in net position of \$131.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
Years Ended June 30, 2012 and 2011

In 2012, transfers of sales tax revenue from the City of Tulsa and tax increment financing revenue from the Tulsa Development Authority had a positive effect on capital contributions.

In 2011, decreased transfers of sales tax revenue from the City of Tulsa and transfers of tax increment financing revenue from the Tulsa Development Authority had a negative effect on capital contributions.

In 2012, other operating expense decreased \$255 or 6.6% due to decreases in and repairs and maintenance expenses.

In 2011, other operating expense increased \$570 or 17.3% due to increases in parking operator expenses, general and administrative expenses and repairs and maintenance expenses.

Capital Assets

The Authority's investment in capital assets as of June 30, 2012 amounts to \$27,932 (net of accumulated depreciation). At June 30, 2011 the Authority's investment in capital assets was \$24,436 (net of accumulated depreciation).

CAPITAL ASSETS, NET OF ACCUMULATED DEPRECIATION

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Land	\$ 7,230	\$ 7,230	\$ 7,230
Construction in progress	5,791	1,485	720
Buildings	42,913	43,406	43,406
Equipment	794	777	474
	<u>56,728</u>	<u>52,898</u>	<u>51,830</u>
Less accumulated depreciation	<u>(28,796)</u>	<u>(28,462)</u>	<u>(27,592)</u>
Capital assets, net	<u>\$ 27,932</u>	<u>\$ 24,436</u>	<u>\$ 24,238</u>

Requests for Information

This financial report is designed to provide interested parties with a general overview of the Authority's finances. 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, Tulsa, Oklahoma 74103.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
STATEMENTS OF NET POSITION
June 30, 2012 and 2011

<u>ASSETS</u>	<u>2012</u>	<u>2011</u>
	(In Thousands)	
Current assets:		
Cash and cash equivalents	\$ 4,070	\$ 4,432
Investments	-	1,403
Accounts receivable	59	12
Interest receivable	-	34
Prepaid expense	293	343
	<hr/>	<hr/>
Total current assets	4,422	6,224
	<hr/>	<hr/>
Noncurrent assets:		
Cash and cash equivalents, restricted	1,261	1,525
Accounts receivable, restricted, net	159	85
Other assets, restricted	-	852
Nondepreciable capital assets	13,021	8,715
Depreciable capital assets, net	14,911	15,721
	<hr/>	<hr/>
Total noncurrent assets	29,352	26,898
	<hr/>	<hr/>
Total assets	\$ 33,774	\$ 33,122
	<hr/>	<hr/>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Deferred charge on refunding	901	235
	<hr/>	<hr/>
Total deferred outflows of resources	\$ 901	\$ 235
	<hr/>	<hr/>

(Continued)

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

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
STATEMENTS OF NET POSITION, Continued
June 30, 2012 and 2011

<u>LIABILITIES</u>	<u>2012</u>	<u>2011</u>
	(In Thousands)	
Current liabilities:		
Accounts payable	\$ 764	\$ 359
Unearned revenue	67	-
	<u>831</u>	<u>359</u>
Liabilities payable from restricted assets:		
Accounts payable	-	446
Accrued interest payable on revenue bonds	16	440
Current portion of revenue bonds	-	1,420
	<u>16</u>	<u>2,306</u>
Total current liabilities	<u>847</u>	<u>2,665</u>
Noncurrent liabilities:		
Payable from restricted assets:		
Deposits subject to refund	4	4
Revenue bonds payable	17,860	18,865
Unamortized premium (discount)	883	(167)
	<u>18,747</u>	<u>18,702</u>
Total noncurrent liabilities	<u>18,747</u>	<u>18,702</u>
Total liabilities	<u>19,594</u>	<u>21,367</u>
<u>NET POSITION</u>		
Net investment in capital assets	11,994	8,028
Restricted for:		
Debt service	1,399	1,542
Capital projects	-	29
Unrestricted	<u>1,688</u>	<u>2,391</u>
Total net position	<u>\$ 15,081</u>	<u>\$ 11,990</u>

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

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Years Ended June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
	(In Thousands)	
Operating revenues:		
Parking facilities income	\$ 5,945	\$ 5,532
Rental income	157	156
	<u>6,102</u>	<u>5,688</u>
Total operating revenues		
Operating expenses:		
Contracting services	2,728	2,737
General and administrative	303	348
Repairs and maintenance	572	773
Depreciation	901	870
	<u>4,504</u>	<u>4,728</u>
Total operating expenses		
Operating income	<u>1,598</u>	<u>960</u>
Nonoperating revenues (expenses):		
Investment income	2	24
Interest and amortization expense	(867)	(928)
Bond issuance costs	(267)	-
	<u>(1,132)</u>	<u>(904)</u>
Total nonoperating expenses		
Income before contributions	466	56
Capital contributions		
Contributions from operators	-	75
Payments from primary government	2,040	-
Payments from Tulsa Development Authority	585	-
	<u>2,625</u>	<u>75</u>
Total capital contributions		
Change in net position	<u>3,091</u>	<u>131</u>
Net position, beginning of year, as restated	<u>11,990</u>	<u>11,859</u>
Net position, end of year	<u>\$ 15,081</u>	<u>\$ 11,990</u>

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

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
STATEMENTS OF CASH FLOWS
Years Ended June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
	<u>(In Thousands)</u>	
Cash flows from operating activities:		
Cash received from customers, including cash deposits	\$ 6,096	\$ 5,660
Cash payments to suppliers for goods and services	(3,464)	(3,358)
Cash payments for quasi-external operating transactions	<u>(200)</u>	<u>(400)</u>
Net cash provided by operating activities	<u>2,432</u>	<u>1,902</u>
Cash flows from noncapital financing activities:		
Proceeds from revenue bond issuance	2,805	-
Principal paid on revenue bonds	(3,475)	(320)
Interest paid on revenue bonds	(187)	(140)
Payment for forward delivery agreement	(1,001)	(999)
Receipts from forward delivery agreement	<u>1,853</u>	<u>988</u>
Net cash used by noncapital financing activities	<u>(5)</u>	<u>(471)</u>
Cash flows from capital and related financing activities:		
Proceeds from revenue bond issuance	15,055	-
Payments from Tulsa Development Authority	585	-
Payments from primary government	2,040	-
Principal paid on revenue bonds	(16,810)	(1,055)
Interest paid on revenue bonds	(720)	(765)
Acquisition and construction of capital assets	<u>(4,374)</u>	<u>(455)</u>
Net cash used by capital and related financing activities	<u>(4,491)</u>	<u>(2,275)</u>
Cash flows from investing activities:		
Investment income received	52	56
Purchase of investments	(2,623)	(1,437)
Sale or maturity of investments	<u>4,009</u>	<u>3,445</u>
Net cash provided by investing activities	<u>1,438</u>	<u>2,064</u>
Net change in cash and cash equivalents	(626)	1,220
Cash and cash equivalents, beginning of year	<u>5,957</u>	<u>4,737</u>
Cash and cash equivalents, end of year	<u>\$ 5,331</u>	<u>\$ 5,957</u>

(Continued)

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

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
STATEMENTS OF CASH FLOWS, Continued
Years Ended June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
	(In Thousands)	
Reconciliation of cash and cash equivalents to the Statements of Net Position:		
Unrestricted cash and cash equivalents	\$ 4,070	\$ 4,432
Restricted cash and cash equivalents	<u>1,261</u>	<u>1,525</u>
Total cash and cash equivalents	<u>\$ 5,331</u>	<u>\$ 5,957</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 1,598	\$ 960
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	901	870
Increase in accounts receivable	(120)	(40)
(Increase) decrease in prepaid expense	50	(68)
Increase (decrease) in accounts payable and deposits	(64)	180
Increase in deferred revenue	<u>67</u>	<u>-</u>
Net cash provided by operating activities	<u>\$ 2,432</u>	<u>\$ 1,902</u>
Noncash capital and investing activities:		
Purchase of capital assets in accounts payable and accrued liabilities	\$ 594	\$ 576
Capital contributions	-	75
Decrease in fair value of investments	(16)	(8)

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO BASIC FINANCIAL STATEMENTS (In thousands of dollars)
June 30, 2012 and 2011

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

NATURE OF BUSINESS - Tulsa Parking Authority (the "Authority") was formed by the City of Tulsa, Oklahoma ("the City") in 1963 to develop and operate parking facilities for the benefit of the residents of the City and for the purpose of providing parking facilities to the general public. Trustees include the Mayor of the City of Tulsa and four additional trustees appointed by the Mayor. The Authority is included in the City's Comprehensive Annual Financial Report as a component unit.

REPORTING ENTITY - The Authority is a component unit of the City and is included in the City's comprehensive annual financial report as a discretely presented component unit.

BASIS OF ACCOUNTING AND PRESENTATION - 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, and liabilities 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 transactions. Investment income and voluntary nonexchange transactions are included in nonoperating revenues and expenses.

The financial statements of the Authority are prepared in accordance with generally accepted accounting principles ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. All amounts are expressed in thousands unless otherwise noted.

The Authority adopted GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of resources, and Net Position*, in the current year. The adoption of this Statement changed the presentation of the basic financial statements to a statement of net position format.

CASH AND CASH EQUIVALENTS – Cash and cash equivalents balances, other than petty cash and non-pooled investments, are pooled with the City of Tulsa's cash and investments and invested by the City of Tulsa's Treasurer. Interest income on pooled cash and investments is allocated monthly based on the percentage of the Authority's average daily equity in the pooled portfolio to the total average daily pooled portfolio balance.

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 cash held by the City of Tulsa's internal pool, to be cash equivalents.

INVESTMENTS - Investments consist of obligations of the U.S. Treasury and various federal agencies and instrumentalities, investment agreements with financial institutions and money market funds. These investments are held by bond trustees and invested in accordance with the requirements and terms of various bond indentures.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO BASIC FINANCIAL STATEMENTS (In thousands of dollars)
June 30, 2012 and 2011

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

The Authority follows the provisions of GASB Statement No. 31, "Certain Investments and External Investment Pools," which requires governmental entities to report investments at fair value in the statement of net position. Net increases (decreases) of investments have been recognized and reported in the Statement of Revenues, Expenses, and Changes in Net Position as follows:

	<u>2012</u>	<u>2011</u>
Interest	\$ 3	\$ 28
Decrease in FV of investments and cash equivalents	(1)	(4)
	<u>\$ 2</u>	<u>\$ 24</u>

CAPITAL ASSETS – Capital assets purchased or acquired are carried at historical cost; contributed assets are recorded at fair market value as of the date donated. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. The excess of interest cost related to borrowings for financing capital assets over interest earned on the proceeds from such borrowings are capitalized during the construction period. Capital assets which are sold or disposed have their cost and related accumulated depreciation removed from the records. The related gain or loss is recorded in the period of sale or disposal.

DEPRECIATION – Capital assets placed in service are depreciated over the following estimated service lives and have the following capital thresholds:

Buildings	30 years	\$5
Equipment	5-15 years	\$5

RESTRICTED ASSETS - Restricted assets consist primarily of cash and investments held by a bank trustee for debt service payments and managed pursuant to a bond indenture.

BOND PREMIUMS AND DISCOUNTS - Premiums and discounts are amortized over the life of the revenue bonds using the effective interest method.

NET POSITION – Net position of the Authority represents the difference between assets, 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. Net position is reported as restricted when there are limitations imposed on their 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 net position is available, the Authority first applies restricted resources. Unrestricted net position is assets less liabilities that do not meet the definition of net investment in capital assets or restricted.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO BASIC FINANCIAL STATEMENTS (In thousands of dollars)
June 30, 2012 and 2011

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

DEFERRED CHARGES ON REFUNDING - Deferred charges on refunding represents the difference in the reacquisition price and the net carrying amount of the old debt. These charges are presented as a deferred outflow of resources and recognized as a component of interest expense over the life of the old or new debt, whichever is shorter.

INCOME TAXES - As a political subdivision, the Authority is exempt from federal income taxes under Section 115(l) of the Internal Revenue Code.

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 reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and other changes in net position during the reporting period. Actual results could differ from those estimates.

2. CASH DEPOSITS AND INVESTMENTS

POOLED CASH AND INVESTMENTS – A portion of the cash deposits of the Authority are maintained within the City's pooled cash and investments portfolio. Pooled cash and investments consist primarily of time deposits and other securities guaranteed by the U.S. government or its agencies and are recorded at fair value. At June 30, 2012 and 2011, pooled cash and investments amounted to \$428 and \$440, respectively. The amount pooled with the City at June 30, 2012 is represented by investments which were insured or registered or securities held by the City or its agent in the City's name.

NON-POOLED CASH AND INVESTMENTS – Non-pooled cash equivalents and investments are included in unrestricted restricted cash and cash equivalents and investments on the accompanying Statements of Net Position.

OTHER ASSETS – The amount recorded as other assets on the Statement of Net Position consists of money market mutual funds and U.S. agency obligations.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO BASIC FINANCIAL STATEMENTS (In thousands of dollars)
June 30, 2012 and 2011

2. CASH DEPOSITS AND INVESTMENTS, continued

For the years ended, the Authority had the following investments. All investments had maturity dates of one year or less.

Type	June 30, 2012	
	Fair Value	
Money market mutual funds	\$	4,760

Type	June 30, 2011	
	Fair Value	
U.S. agency obligations	\$	1,819
Money market mutual funds		5,917
	\$	7,736

Interest Rate Risk – For investments not restricted by bond requirements, the Authority utilizes the City of Tulsa investment policy as a means of limiting its exposure to fair value losses arising from rising interest rates.

Pooled investments – In accordance with the City’s investment policy, the City manages its interest rate risk by limiting the weighted average maturity of its investment portfolio to three years or less. No security, at the time of purchase, shall have a maturity exceeding five years. The weighted average maturity of the City’s pooled investment portfolio is 1.80 years.

Non-pooled investments – Bond requirements limit the type of restricted investments that can be acquired and unrestricted investments are in U.S. Treasury money market mutual funds. The money market mutual funds are presented as an investment with a maturity of less than one year because they are redeemable in full immediately.

Credit Risk – Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The Authority utilizes the City of Tulsa investment policy to limit its exposure to credit risks.

Pooled investments – The City’s investment policy prohibits purchasing any investments rated below AA at the time of purchase. As of June 30, 2012 the U.S. agencies obligations included in the City’s pooled investment portfolio were rated Aaa and AA+ by Moody’s and Standard & Poor’s, respectively. As of June 30, 2011 the ratings were Aaa and AAA by Moody’s and Standard & Poor’s, respectively.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO BASIC FINANCIAL STATEMENTS (In thousands of dollars)
June 30, 2012 and 2011

2. CASH DEPOSITS AND INVESTMENTS, continued

Non-pooled investments – At June 30, 2011, the Authority’s investments in U. S. agencies obligations not directly guaranteed by the U. S. government were rated AAA by Standard & Poor’s and Moody’s Investors Service, and the Authority’s money market mutual funds were rated AAAM and Aaa by Standard & Poor’s and Moody’s Investment Services, respectively.

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.

Pooled deposits and investments – The City’s investment policy requires that demand deposits be collateralized at least by 110% of the amount that is not federally insured. Securities pledged as collateral are held by a third party. Joint custody safekeeping receipts are held in the name of the depository institution, but pledged to the City. The securities cannot be released, substituted or sold without the City’s approval and release of the security. Certificates of deposit are, according to the City’s investment policy, to be collateralized at least by 102% of the amount that is not federally insured. As of June 30, 2012 and 2011, none of the deposits in the pooled portfolio was exposed to custodial credit risk. All safekeeping receipts for investment instruments are held in accounts in the City’s name and all securities are registered in the City’s name. Therefore, none of the Authority’s pooled investments as of June 30, 2012 and 2011 was exposed to custodial credit risk.

Non-pooled deposits and investments – The Authority’s deposit policy for custodial credit risk requires compliance with provisions of state law and that demand deposits be collateralized at least 110% of the amount that is not federally insured. As of June 30, 2012 and 2011, the Authority’s bank balances of deposits with financial institutions of \$143 and \$36, respectively, were not exposed to custodial credit risk. 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. All of the underlying securities for the Authority’s investments in U.S. agency obligations at June 30, 2012 and 2011, are insured or registered or securities held by the Authority or by its agent in the Authority’s name.

Concentration of Credit Risk – The Authority places no limit on the amount that may be invested in any one issuer. The Authority’s investment in mutual funds is not subject to concentration of credit risk disclosure.

Pooled investments – At June 30, 2012, the City’s investments in Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation and Federal National Mortgage Association constituted approximately 17%, 15%, 22%, and 21%, respectively, of its total pooled investment portfolio. At June 30, 2011, the City’s investments in Federal Farm Credit Bank, Federal Home Loan bank, Federal Home Loan Mortgage Corporation, and Federal National Mortgage Association constituted approximately 11%, 10%, 14%, and 10%, respectively, of its total pooled investment portfolio.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO BASIC FINANCIAL STATEMENTS (In thousands of dollars)
June 30, 2012 and 2011

2. CASH DEPOSITS AND INVESTMENTS, continued

Non-pooled investments – At June 30, 2011 the Authority’s investments in the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association constituted approximately 18% and 5% of its total investments, respectively.

RECONCILIATION TO STATEMENTS OF NET POSITION - A reconciliation of pooled cash and investments, and non-pooled investments to the carrying amounts on the statements of net position is as follows:

	<u>2012</u>	<u>2011</u>
Pooled cash and investments	\$ 428	\$ 440
Non-pooled cash	143	36
Investments	<u>4,760</u>	<u>7,736</u>
	<u>\$ 5,331</u>	<u>\$ 8,212</u>
Current cash and cash equivalents	\$ 4,070	\$ 4,432
Current investments	-	1,403
Noncurrent cash and cash equivalents, restricted	1,261	1,525
Noncurrent other assets, restricted	<u>-</u>	<u>852</u>
	<u>\$ 5,331</u>	<u>\$ 8,212</u>

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO BASIC FINANCIAL STATEMENTS (In thousands of dollars)
June 30, 2012 and 2011

3. CAPITAL ASSETS

The changes in capital assets during the years ended June 30, 2012 and 2011, are summarized as follows:

June 30, 2012	Beginning Balance	Additions	Reductions	Ending Balance
Non-depreciable capital assets:				
Land	\$ 7,230	\$ -	\$ -	\$ 7,230
Construction in progress	1,485	4,306	-	5,791
Total non-depreciable capital assets	<u>8,715</u>	<u>4,306</u>	<u>-</u>	<u>13,021</u>
Depreciable capital assets:				
Buildings	43,406	-	493	42,913
Equipment	777	91	74	794
Total depreciable capital assets	<u>44,183</u>	<u>91</u>	<u>567</u>	<u>43,707</u>
Less accumulated depreciation:				
Buildings	(27,993)	(832)	(493)	(28,332)
Equipment	(469)	(69)	(74)	(464)
Total accumulated depreciation	<u>(28,462)</u>	<u>(901)</u>	<u>(567)</u>	<u>(28,796)</u>
Total depreciable capital assets, net	<u>15,721</u>	<u>(810)</u>	<u>-</u>	<u>14,911</u>
Capital assets, net	<u>\$ 24,436</u>	<u>\$ 3,496</u>	<u>\$ -</u>	<u>\$ 27,932</u>
June 30, 2011	Beginning Balance	Additions	Reductions	Ending Balance
Non-depreciable capital assets:				
Land	\$ 7,230	\$ -	\$ -	\$ 7,230
Construction in progress	720	765	-	1,485
Total non-depreciable capital assets	<u>7,950</u>	<u>765</u>	<u>-</u>	<u>8,715</u>
Depreciable capital assets:				
Buildings	43,406	-	-	43,406
Equipment	474	303	-	777
Total depreciable capital assets	<u>43,880</u>	<u>303</u>	<u>-</u>	<u>44,183</u>
Less accumulated depreciation:				
Buildings	(27,131)	(862)	-	(27,993)
Equipment	(461)	(8)	-	(469)
Total accumulated depreciation	<u>(27,592)</u>	<u>(870)</u>	<u>-</u>	<u>(28,462)</u>
Total depreciable capital assets, net	<u>16,288</u>	<u>(567)</u>	<u>-</u>	<u>15,721</u>
Capital assets, net	<u>\$ 24,238</u>	<u>\$ 198</u>	<u>\$ -</u>	<u>\$ 24,436</u>

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO BASIC FINANCIAL STATEMENTS (In thousands of dollars)
June 30, 2012 and 2011

4. PARKING REVENUE BONDS

The Authority has issued revenue bonds for the purpose of constructing parking facilities, making major renovations to parking facilities and refunding prior issues of revenue bonds.

Bond activity during the year ended June 30, 2012 is as follows:

<u>Bonds, Series and 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>
Refunding, Series 2002, 2019	\$ 9,030	4.0% - 4.75%	\$ 6,605	\$ -	\$ (6,605)	\$ -	\$ -
Parking Revenue, Series 2003, 2029	12,315	3.25% - 4.7%	10,205	-	(10,205)	-	-
Parking Revenue, Series 2004 2020	5,250	3.0% - 4.25%	3,475	-	(3,475)	-	-
Refunding Series 2012, 2029	17,860	2.0% - 4.0%	-	17,860	-	17,860	-
			<u>\$ 20,285</u>	<u>\$ 17,860</u>	<u>\$ (20,285)</u>	<u>\$ 17,860</u>	<u>\$ -</u>

Bond activity during the year ended June 30, 2011 is as follows:

<u>Bonds, Series and 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>
Refunding, Series 2002, 2019	\$ 9,030	4.0% - 4.75%	\$ 7,285	\$ -	\$ (680)	\$ 6,605	\$ 705
Parking Revenue, Series 2003, 2029	12,315	3.25% - 4.7%	10,580	-	(375)	10,205	385
Parking Revenue, Series 2004 2020	5,250	3.0% - 4.25%	3,795	-	(320)	3,475	330
			<u>\$ 21,660</u>	<u>\$ -</u>	<u>\$ (1,375)</u>	<u>\$ 20,285</u>	<u>\$ 1,420</u>

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

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO BASIC FINANCIAL STATEMENTS (In thousands of dollars)
June 30, 2012 and 2011

4. PARKING REVENUE BONDS, continued

COVENANT - The revenue bonds contain certain covenants. The covenants require that gross revenue of the parking system, as defined by the Master Bond Indenture, provide for a minimum debt service coverage ratio of 1.00.

ECONOMIC GAIN/LOSS ON REFUNDING – Parking Revenue Bonds, Refunding Series 2012 - On June 20, 2012, the Authority issued \$17,860 in Series 2012 Parking Revenue Refunding Bonds. The proceeds of this issue were used to currently refund the Series 2002 Parking Revenue Bonds and advance refund the Series 2003 and 2004 Parking Revenue Bonds. This transaction will reduce debt service payments by \$980 over the next 16 years and result in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$896. The refunding resulted in a deferred charge of \$905 which will be amortized over the life of the new bonds. The amortization and related deferred charge are reported in the financial statements.

DEFEASED DEBT – Series 2003 and 2004 Parking Revenue Bonds– The Authority has placed the proceeds of refunding bonds in irrevocable escrow accounts held and managed by bank trustees, and invested in U.S. Treasury obligations, the principal and interest on which would provide amounts sufficient to pay the principal and interest on the defeased bonds in accordance with the schedule of remaining payments due. Accordingly, the escrow accounts and the defeased bonds are not included in the Authority’s financial statements. The defeased bonds outstanding, of \$9,820 and \$3,145, are considered extinguished for the Series 2003 and 2004 Parking Revenue Bonds, respectively, at June 30, 2012.

PRINCIPAL AND INTEREST PAYMENTS IN SUBSEQUENT YEARS – Principal and interest payments in subsequent years are as follows:

	Series 2012	
	<u>Principal</u>	<u>Interest</u>
2013	\$ -	\$ 277
2014	1,675	505
2015	1,715	471
2016	1,750	436
2017	1,790	392
2018-2022	5,825	1,258
2023-2027	3,140	596
2027-2029	1,965	70
	<u>\$17,860</u>	<u>\$ 4,004</u>

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO BASIC FINANCIAL STATEMENTS (In thousands of dollars)
June 30, 2012 and 2011

4. PARKING REVENUE BONDS, continued

DEBT SERVICE FORWARD DELIVERY AGREEMENT - In 1995, the Authority entered into a Debt Service Forward Delivery Agreement (the "Agreement") with Bank One, as trustee for the Authority, and Wachovia Bank, National Association ("Wachovia"). Under the terms of the Agreement, the Authority received a fee of \$275. This fee was initially recorded as deferred revenue and was recognized as interest income over the life of the original agreement. In 2002, in conjunction with the refunding of the Series 1985 Bonds, the agreement was amended and extended through the life of the Series 2002 Bonds. In 2012, in conjunction with the refunding of the Series 2002 Bonds the agreement was amended. The amendment allowed for the agreement to continue for the same period of time and amount even though the bonds were refunded.

In consideration of the monthly debt service deposit, Wachovia will deliver qualified securities to the Trustee on the stated delivery dates. The Trustee, from the funds provided by the debt service reserve, will purchase the securities for an amount equal to the maturity amount. The maturity amount is the amount payable in cash, representing principal and interest due based on the original maturity date of the 2002 bonds that were defeased. At delivery of the securities to the Trustee, the delivery notice specifies the maturity amount (amount paid by the Trustee) and the market value of the securities and any difference (the differential). The Trustee holds these securities until the next bond payment, which at that time, the securities mature and the proceeds are used to make principal and interest payments on the outstanding Series 2012 bonds. As of June 30, 2012 and 2011 the balance of the securities is zero and \$852 respectively, and is reported as other assets on the Statement of Net Position.

The Authority entered into this Agreement in order to lessen the Authority's exposure to declining interest rates associated with the Authority's investment of excess cash balances. Unless terminated earlier, the agreement terminates on the later of the last bond payment date of the Series 2002 Bonds or the date on which the Trustee and the Authority have satisfied all of their obligations under the Agreement. The final principal payment on the Series 2002 Bonds is due July 1, 2018. In terms of credit risk, the monthly debt service funds deposited with Wachovia are 100% collateralized by acceptable securities. The collateral could be liquidated by the Trustee should Wachovia fail to fulfill the Agreement.

5. PARKING REVENUES PLEDGED

The Authority has pledged future gross revenues derived from the operations of the parking facilities to repay approximately \$17,860 in revenue bonds issued. Proceeds from the bonds provided financing for various parking facilities and debt refundings. The bonds are payable solely from gross revenues and are payable through July 2028. Annual principal and interest payments on the bonds required 44% of gross revenues. The total principal and interest remaining to be paid on the bonds is \$21,864. Principal and interest paid for the year was \$2,665. Total gross revenues were \$6,103.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO BASIC FINANCIAL STATEMENTS (In thousands of dollars)
June 30, 2012 and 2011

6. PARKING FACILITY LEASES

The Authority and the City have entered into two operating leases, which relate to the construction and financing of the Civic Center Parking Facilities. All leases are for a period sufficient to retire the long-term financing of the Facilities. Lease payments from the Authority to the City are nominal

The Lease Agreement with respect to the Underground Parking Facility also permits the Authority to release the Underground Parking Facility to the City upon the substitution of property satisfactory to the Authority which will yield equivalent revenues. The term of each of the Lease Agreements extends so long as there remains outstanding indebtedness secured by a pledge of revenues of the System.

The operating leases are:

Site Lease – Includes an area north of the existing Assembly Center building upon which the Civic Center Parking Facilities have been constructed.

Underground Lot Lease – Includes the area underneath the Civic Center complex containing approximately 401 spaces. The lease also includes metered parking on the street level of the complex. Revenues derived from both areas are assigned to the Authority. In September 2010 the City sold the previous City Hall building. The sale reduced the number of parking spaces TPA leases from the City from 526 to 401.

7. OPERATING AGREEMENTS

The Authority has entered into various operating agreements for the operations and maintenance of System parking facilities in accordance with the Bond Indenture. Pursuant to the operating agreements, the operator is responsible for submitting an annual budget and, if necessary any revisions thereto to the Authority, including among other things, adjustments to the current rate structure of charges for parking, subject in all events to the adoption and approval by the Authority. The agreements generally provide that the Authority will advance funds to the operator to pay operating costs, including a management fee, on a monthly basis, based upon the budget. A settlement is made periodically when the actual expenses incurred by the operator are known. All revenues received from the parking facilities are deposited with the bond trustee.

100 West Facility- Operated by American parking, Inc. (“American”). Under this agreement, the Authority incurred costs of \$451 and \$478 for the years ended June 30, 2012 and 2011, respectively.

Main Street Parking Facility and retail areas- Operated by American. Under this agreement, the Authority incurred costs of \$675 and \$647 for the years ended June 30, 2012 and 2011, respectively.

Civic Center Parking Facilities- Operated by American. Under this agreement the Authority incurred costs of \$578 and \$604 for the years ended June 30, 2012 and 2011, respectively.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO BASIC FINANCIAL STATEMENTS (In thousands of dollars)
June 30, 2012 and 2011

7. OPERATING AGREEMENTS, continued

North and South Parking Facilities- Operated by Central Parking Systems, Inc. (“Central”). Under this agreement, the Authority incurred costs of \$1,043 and \$808 for the years ended June 30, 2012 and 2011, respectively.

The Authority has an operating agreement with the Tulsa Performing Arts Center Trust (“TPACT”) wherein the Authority will manage a parking lot owned by TPACT. The Authority in turn has an operating agreement with Central, to operate the TPACT parking lot. In exchange for its services, the Authority receives a management fee of \$5 annually.

8. GENERAL LITIGATION

The Authority is subject to claims and lawsuits that arise primarily in the ordinary course of business. It is the opinion of management that the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the net position, changes in net position and cash flows of the Authority.

9. RISK MANAGEMENT

The Authority participates in the City’s insurance programs through payment for services. The City retains all risk of loss. Significant losses are covered by commercial insurance for all major programs except workers’ compensation, for which the City retains all risk of loss. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

10. RELATED PARTY TRANSACTIONS

During the years ended, the Authority conducted the following transactions with related parties.

	<u>2012</u>	<u>2011</u>
Payments to City of Tulsa - General Fund for support services	\$ 200	\$ 200
Payments to City of Tulsa - General Fund for police services for special events	\$ -	\$ 200
Payments from Tulsa Performing Arts Center Trust for management of a parking lot	\$ 5	\$ 5
Payments from Tulsa Development Authority (tax increment financing district) for capital improvements	\$ 585	\$ -
Payments from the City of Tulsa for capital improvements	\$ 2,040	\$ -
Capital contributions from Central Parking Systems, Inc.	\$ -	\$ 75

Additionally, the Authority receives payments for employee and department parking from the City. Rates charged to the City are at market rate.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO BASIC FINANCIAL STATEMENTS (In thousands of dollars)
June 30, 2012 and 2011

11. RESTATEMENT

The Authority adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, in the current year. As a result, the effect on fiscal year 2011 is as follows:

	2011		2011
	Previously	Restatement	Restated
	Presented		
Deferred charge on refunding	\$ -	\$ 235	\$ 235
Deferred bond issue costs	478	(478)	-
Revenue bonds payable	18,630	235	18,865
Net position, unrestricted	2,869	(478)	2,391
Interest and amortization expense	973	(45)	928
Change in net position	86	45	131
Net position, beginning of year	12,382	(523)	11,859

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO SUPPLEMENTARY INFORMATION
June 30, 2012

In addition to the basic financial statements, TPA presents combining schedule of net position, combining schedule of revenues, expenses and changes in net position and combining schedule of cash flows for its sub funds of the operations of TPA. The following is a description of each sub fund used by the Authority:

Operating Fund - The Operating Fund receives interest earnings on various investments and funds certain management and administrative services of the Authority.

Parking System Fund - The Parking System Fund (the "System") receives parking revenues and pays the operating expenses and debt service of the parking facilities. Additionally, the system receives nonoperating revenues for capital expenditures related to the parking facilities. The System Master Bond Indenture provides for the financing of the Authority's parking operations through the issuance of bonds. Funds related to the Bonds are held in trust and managed by a trustee pursuant to the terms of the Master and Supplemental Bond Indentures.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
COMBINING SCHEDULE OF NET POSITION
June 30, 2012

<u>ASSETS</u>	<u>Operating Fund</u>	<u>Parking System Fund</u>	<u>Total</u>
		(In Thousands)	
Current assets:			
Cash and cash equivalents	\$ 166	\$ 3,904	\$ 4,070
Accounts receivable	-	59	59
Prepaid expense	-	293	293
	<u>166</u>	<u>4,256</u>	<u>4,422</u>
Total current assets			
Noncurrent assets:			
Cash and cash equivalents, restricted	-	1,261	1,261
Accounts receivable, restricted, net	-	159	159
Nondepreciable capital assets	6	13,015	13,021
Depreciable capital assets, net	-	14,911	14,911
	<u>6</u>	<u>29,346</u>	<u>29,352</u>
Total noncurrent assets			
Total assets	<u>\$ 172</u>	<u>\$ 33,602</u>	<u>\$ 33,774</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred charge on refunding	-	901	901
Total deferred outflows of resources	<u>\$ -</u>	<u>\$ 901</u>	<u>\$ 901</u>

(Continued)

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
COMBINING SCHEDULE OF NET POSITION, Continued
June 30, 2012

<u>LIABILITIES</u>	<u>Operating Fund</u>	<u>Parking System Fund</u>	<u>Total</u>
		(In Thousands)	
Current liabilities:			
Accounts payable	\$ 10	\$ 754	\$ 764
Unearned revenue	-	67	67
	<u>10</u>	<u>821</u>	<u>831</u>
Liabilities payable from restricted assets:			
Accrued interest payable on revenue bonds	-	16	16
Total liabilities payable from restricted assets	<u>-</u>	<u>16</u>	<u>16</u>
Total current liabilities	<u>10</u>	<u>837</u>	<u>847</u>
Noncurrent liabilities:			
Payable from restricted assets:			
Deposits subject to refund	-	4	4
Revenue bonds payable	-	17,860	17,860
Unamortized premium	-	883	883
Total noncurrent liabilities	<u>-</u>	<u>18,747</u>	<u>18,747</u>
Total liabilities	<u>10</u>	<u>19,584</u>	<u>19,594</u>
<u>NET POSITION</u>			
Net investment in capital assets	6	11,988	11,994
Restricted for:			
Debt service	-	1,399	1,399
Unrestricted	<u>156</u>	<u>1,532</u>	<u>1,688</u>
Total net position	<u>\$ 162</u>	<u>\$ 14,919</u>	<u>\$ 15,081</u>

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
COMBINING SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
Year Ended June 30, 2012

	<u>Operating Fund</u>	<u>Parking System Fund</u>	<u>Total</u>
	(In Thousands)		
Operating revenues:			
Parking facilities income	\$ 5	\$ 5,940	\$ 5,945
Rental income	-	157	157
Total operating revenues	<u>5</u>	<u>6,097</u>	<u>6,102</u>
Operating expenses:			
Contracting services	-	2,728	2,728
General and administrative	297	6	303
Repairs and maintenance	-	572	572
Depreciation	-	901	901
Total operating expenses	<u>297</u>	<u>4,207</u>	<u>4,504</u>
Operating income (loss)	<u>(292)</u>	<u>1,890</u>	<u>1,598</u>
Nonoperating revenues (expenses):			
Investment income	1	1	2
Interest and amortization expense	-	(867)	(867)
Bond issuance costs	-	(267)	(267)
Transfers in (out)	397	(397)	-
Total nonoperating revenues (expenses)	<u>398</u>	<u>(1,530)</u>	<u>(1,132)</u>
Income before contributions	<u>106</u>	<u>360</u>	<u>466</u>
Capital contributions			
Payments from primary government	-	2,040	2,040
Payments from Tulsa Development Authority	-	585	585
Total capital contributions	<u>-</u>	<u>2,625</u>	<u>2,625</u>
Change in net position	<u>106</u>	<u>2,985</u>	<u>3,091</u>
Net position, beginning of year, as restated	<u>56</u>	<u>11,934</u>	<u>11,990</u>
Net position, end of year	<u>\$ 162</u>	<u>\$ 14,919</u>	<u>\$ 15,081</u>

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
COMBINING SCHEDULE OF CASH FLOWS
Year Ended June 30, 2012

	<u>Operating Fund</u>	<u>Parking System Fund</u> (In Thousands)	<u>Total</u>
Cash flows from operating activities:			
Cash received from customers, including cash deposits	\$ 5	\$ 6,091	\$ 6,096
Cash payments to suppliers for goods and services	(100)	(3,364)	(3,464)
Cash payments for quasi-external operating transactions	(200)	-	(200)
Net cash provided (used) by operating activities	<u>(295)</u>	<u>2,727</u>	<u>2,432</u>
Cash flows from noncapital financing activities:			
Proceeds from revenue bond issuance	-	2,805	2,805
Principal paid on revenue bonds	-	(3,475)	(3,475)
Interest paid on revenue bonds	-	(187)	(187)
Payment for forward delivery agreement	-	(1,001)	(1,001)
Receipts from forward delivery agreement	-	1,853	1,853
Transfers in (out)	397	(397)	-
Net cash provided (used) by noncapital financing activities	<u>397</u>	<u>(402)</u>	<u>(5)</u>
Cash flows from capital and related financing activities:			
Proceeds of revenue bond issuance	-	15,055	15,055
Payments from Tulsa Development Authority	-	585	585
Payment of bond issue costs	-	(267)	(267)
Payments from primary government	-	2,040	2,040
Principal paid on revenue bonds	-	(16,810)	(16,810)
Interest paid on revenue bonds	-	(720)	(720)
Acquisition and construction of capital assets	-	(4,374)	(4,374)
Net cash used by capital and related financing activities	<u>-</u>	<u>(4,491)</u>	<u>(4,491)</u>
Cash flows from investing activities:			
Investment income received	1	51	52
Purchase of investments	-	(2,623)	(2,623)
Sale or maturity of investments	-	4,009	4,009
Net cash provided by investing activities	<u>1</u>	<u>1,437</u>	<u>1,438</u>
Net change in cash and cash equivalents	103	(729)	(626)
Cash and cash equivalents, beginning of year	<u>63</u>	<u>5,894</u>	<u>5,957</u>
Cash and cash equivalents, end of year	<u>\$ 166</u>	<u>\$ 5,165</u>	<u>\$ 5,331</u>

(Continued)

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
COMBINING SCHEDULE OF CASH FLOWS, Continued
Year Ended June 30, 2012

	<u>Operating Fund</u>	<u>Parking System Fund</u>	<u>Total</u>
		(In Thousands)	
Reconciliation of cash and cash equivalents to the Statements of Net Assets:			
Unrestricted cash and cash equivalents	\$ 166	\$ 3,904	\$ 4,070
Restricted cash and cash equivalents	-	1,261	1,261
	<u>\$ 166</u>	<u>\$ 5,165</u>	<u>\$ 5,331</u>
Total cash and cash equivalents			
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (292)	\$ 1,890	\$ 1,598
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	-	901	901
Increase in accounts receivable	-	(120)	(120)
Decrease in prepaid expense	-	50	50
Decrease in accounts payable and deposits	(3)	(61)	(64)
Increase in deferred revenue	-	67	67
Net cash provided (used) by operating activities	<u>\$ (295)</u>	<u>\$ 2,727</u>	<u>\$ 2,432</u>
Noncash capital and investing activities:			
Purchase of capital assets in accounts payable and accrued liabilities	\$ 6	\$ 588	\$ 594
Decrease in fair value of investments	-	(16)	(16)

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
OTHER STATISTICAL INFORMATION (Unaudited)
Year Ended June 30, 2012

PARKING SYSTEM FUND – The system’s parking facilities currently provide 6,120 parking spaces. The facilities and spaces are as follows:

- Main Street Parking Facility (1,167 spaces)
- Civic Center Parking Facility (1,425 spaces)
- Underground Parking Facility (415 spaces)
- Metered Spaces adjacent to the Civic Center (238 spaces)
- South Garage (776 spaces)
- North Garage (908 spaces)
- 100 West Facility (1,191 spaces)

DEBT SERVICE COVERAGE – The following table presents ten-years of debt service coverage under the Master Bond Indenture. Gross revenue of the System is defined by the terms of the Master Bond Indenture. Revenues derived outside of the System are excluded. The required minimum coverage is 1.00.

<u>Year</u>	<u>Gross¹ Revenue</u>	<u>Direct Operating Expenses</u>	<u>Available for Debt Service</u>	<u>Debt Service</u>		<u>Total</u>	<u>Coverage</u>
				<u>Principal</u>	<u>Interest</u>		
2012	\$ 6,103	\$ 3,438	\$ 2,665	\$ 1,420	\$1,245	\$ 2,665	1.00
2011	5,860	3,580	2,281	1,375	905	2,280	1.00
2010	5,760	2,834	2,926	1,330	951	2,281	1.28
2009	5,839	2,655	3,184	1,280	997	2,277	1.40
2008	5,280	2,343	2,937	1,235	1,042	2,277	1.29
2007	5,458	2,201	3,257	1,195	1,083	2,278	1.43
2006	5,233	2,921	2,312	1,130	1,124	2,254	1.03
2005	4,912	2,355	2,557	515	1,093	1,608	1.59
2004	3,421	2,121	1,300	495	644	1,139	1.14
2003	2,717	875	1,842	300	527	827	2.23

Note 1- Gross revenues as defined by the terms of the bond indenture. In 2011 \$147 of revenue was derived from prior years’ excess net revenues.