

**TULSA AUTHORITY FOR RECOVERY OF ENERGY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**FINANCIAL REPORT**  
**June 30, 2020 and 2019**

**TULSA AUTHORITY FOR RECOVERY OF ENERGY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**

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**Years Ended June 30, 2020 and 2019**

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RSM US LLP

## Independent Auditor's Report

Board of Trustees  
Tulsa Authority for Recovery of Energy

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

We have audited the accompanying financial statements of the Tulsa Authority for Recovery of Energy (the Authority), a component unit of the City of Tulsa, Oklahoma, as of and for the years ended June 30, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

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

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

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

Our responsibility is to express 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 from material misstatement.

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

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

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority, as of June 30, 2020 and 2019, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matter**

*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 schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We 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.

*RSM US LLP*

Kansas City, Missouri  
November 17, 2020

# **TULSA AUTHORITY FOR RECOVERY OF ENERGY**

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

## **Management's Discussion and Analysis**

**Years Ended June 30, 2020 and 2019**

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As management of the Tulsa Authority for Recovery of Energy (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 years ended June 30, 2020 and 2019. 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 of the Authority exceeded its liabilities at the close of the current year by \$24,701 (net position). Of this amount, \$6,520 is invested in capital assets and \$18,181 is unrestricted and may be used to meet the Authority's ongoing obligations. The assets of the Authority exceeded its liabilities at the close of 2019 by \$24,039.
- During 2020, the Authority's net position increased \$662 to \$24,701. During 2019, the Authority's net position increased \$352 to \$24,039.
- The Authority's operating revenues increased to \$27,171 in 2020 from \$26,723 in 2019, a 1.7% increase. In 2019, the Authority's operating revenues increased from \$26,682 to \$26,723, a 0.2% increase.

### **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 primary function of the Authority is to provide a system of collection, transportation, and disposal of solid waste within, around, and for the City.

This discussion and analysis is 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 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. 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. The statement reports cash receipts, cash payments, and changes in cash resulting from operating, investing, and 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.

**TULSA AUTHORITY FOR RECOVERY OF ENERGY**  
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**Management's Discussion and Analysis, continued**  
**Years Ended June 30, 2020 and 2019**

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**Net Position**

The Authority's net position increased \$662 or 2.8%, to \$24,701 at June 30, 2020. The following table provides a summary of net position.

**SUMMARY OF NET POSITION**

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Current and other assets	\$ 25,719	\$ 23,361	\$ 22,091
Capital assets, net	<u>6,520</u>	<u>8,028</u>	<u>9,291</u>
Total assets	<u>32,239</u>	<u>31,389</u>	<u>31,382</u>
Deferred outflows of resources	<u>813</u>	<u>856</u>	<u>602</u>
Current liabilities	1,913	2,218	3,098
Noncurrent liabilities	<u>6,286</u>	<u>5,724</u>	<u>4,976</u>
Total liabilities	<u>8,199</u>	<u>7,942</u>	<u>8,074</u>
Deferred inflows of resources	<u>152</u>	<u>264</u>	<u>223</u>
Net investment in capital assets	6,520	8,016	7,796
Unrestricted	<u>18,181</u>	<u>16,023</u>	<u>15,891</u>
Total net position	<u>\$ 24,701</u>	<u>\$ 24,039</u>	<u>\$ 23,687</u>

In 2020, current and other assets increased \$2,358 primarily due to an increase in cash and cash equivalents of \$2,372 partially offset by a decrease in refuse billings receivable of \$74. Current liabilities decreased \$305 primarily due to a decrease in accounts payable of \$299 compared to the prior year.

In 2019, current and other assets increased \$1,270, due to an increase of \$1,217 in cash and an increase in refuse billing receivable of \$67 partially offset by a decrease in interest receivable of \$16. Current liabilities decreased \$880 due to a decrease in the advance from Tulsa Public Facilities Authority of \$1,389, partially offset by an increase in accounts payable of \$499.

Noncurrent liabilities increased \$562 in 2020 from 2019 and increased \$748 in 2019 from 2018. Net pension liability increased by \$436, compensated absences increased by \$59 and OPEB liability increased by \$67 in 2020. The 2019 increase is primarily a result of an increase in the pension liability offset by a decrease in the advance from TPFA.

**TULSA AUTHORITY FOR RECOVERY OF ENERGY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**Management's Discussion and Analysis, continued**  
**Years Ended June 30, 2020 and 2019**

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**SUMMARY OF CHANGES IN NET POSITION**

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Operating revenues	\$ 27,171	\$ 26,723	\$ 26,682
Investment income	569	554	133
Other income	<u>-</u>	<u>-</u>	<u>1</u>
Total revenues	<u>27,740</u>	<u>27,277</u>	<u>26,816</u>
Depreciation expense	1,890	2,007	1,998
Other operating expense	23,515	23,110	21,634
Nonoperating expense	<u>1,673</u>	<u>1,808</u>	<u>1,689</u>
Total expenses	<u>27,078</u>	<u>26,925</u>	<u>25,321</u>
Change in net position	662	352	1,495
Net position, beginning of year	<u>24,039</u>	<u>23,687</u>	<u>22,192</u>
Net position, end of year	<u>\$ 24,701</u>	<u>\$ 24,039</u>	<u>\$ 23,687</u>

In 2020 revenues increased \$463 a 1.7% change. This change was a result of a \$361 increase in commercial services revenue, a \$144 increase in residential services revenue, partially offset by a \$58 decrease in other charges.

In 2019, revenues increased \$461, a 1.7% change. This change was primarily a result of a \$421 increase in investment income compared to prior year.

In 2020, total expenses increased \$153, a .6% change, primarily due to an increase in other operating expenses of \$405 offset by a decrease in depreciation of \$117. Net position increased by \$662.

In 2019, total expenses increased \$1,604, or 6.3% primarily due to an increase in personal and other operating expenses. Net position increased by \$352.

**TULSA AUTHORITY FOR RECOVERY OF ENERGY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**Management’s Discussion and Analysis, continued**  
**Years Ended June 30, 2020 and 2019**

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**Capital Assets**

The Authority’s investment in capital assets as of June 30, 2020 was \$6,520 (net of accumulated depreciation). This investment in capital assets includes construction in progress, land improvements, buildings and equipment. Capital asset acquisitions during the year totaled \$430.

**CAPITAL ASSETS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Construction in progress	\$ 171	\$ 171	\$ 171
Land Improvements	410	410	184
Buildings	827	827	833
Equipment	<u>20,665</u>	<u>20,743</u>	<u>20,365</u>
	22,073	22,151	21,553
Less accumulated depreciation	<u>(15,553)</u>	<u>(14,123)</u>	<u>(12,262)</u>
Capital assets, net	<u>\$ 6,520</u>	<u>\$ 8,028</u>	<u>\$ 9,291</u>

**Economic factors and next year’s budget and rates**

At the national level, unemployment increased to 11.1 percent at June 30, 2020. Unemployment in the City of Tulsa was 7.1 percent at the end of fiscal year 2020 compared to 3.2 percent at the end of fiscal year 2019. The Authority continues to have consistent accounts receivable collections.

In setting its 2021 operating budget, the Authority considered many factors which impact the Authority’s operations and delivery of services. The 2021 budgeted outlays are expected to increase approximately .06 percent, and revenues are expected to decrease .01 percent.

**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 E. Second Street, Suite 1570, Tulsa, Oklahoma 74103.



**TULSA AUTHORITY FOR RECOVERY OF ENERGY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**Statements of Net Position**  
**June 30, 2020 and 2019**

(Amounts expressed in thousands)

	<u>2020</u>	<u>2019</u>
<b><u>ASSETS</u></b>		
Current assets:		
Cash and cash equivalents	\$ 22,787	\$ 20,415
Accounts receivable, net	2,824	2,898
Interest receivable	108	48
Total current assets	<u>25,719</u>	<u>23,361</u>
Noncurrent assets:		
Nondepreciable capital assets	171	171
Depreciable capital assets, net	6,349	7,857
Total noncurrent assets	<u>6,520</u>	<u>8,028</u>
Total assets	<u>32,239</u>	<u>31,389</u>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>		
Pension related amounts	730	814
Other postemployment benefits related amounts	83	42
Total deferred outflows of resources	<u>813</u>	<u>856</u>
<b><u>LIABILITIES</u></b>		
Current liabilities:		
Accounts payable and accrued payroll	1,652	1,951
Advance from Tulsa Public Facilities Authority	-	12
Compensated absences	261	255
Total current liabilities	<u>1,913</u>	<u>2,218</u>
Noncurrent liabilities:		
Compensated absences	194	135
Net pension liability	5,816	5,380
Total OPEB liability	276	209
Total noncurrent liabilities	<u>6,286</u>	<u>5,724</u>
Total liabilities	<u>8,199</u>	<u>7,942</u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>		
Pension related amounts	136	246
Other postemployment benefits related amounts	16	18
Total deferred inflows of resources	<u>152</u>	<u>264</u>
<b><u>NET POSITION</u></b>		
Net investment in capital assets	6,520	8,016
Unrestricted	18,181	16,023
Total net position	<u>\$ 24,701</u>	<u>\$ 24,039</u>

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

**TULSA AUTHORITY FOR RECOVERY OF ENERGY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**Statements of Revenues, Expenses, and Changes in Net Position**  
**Years Ended June 30, 2020 and 2019**

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(Amounts expressed in thousands)

	<u>2020</u>	<u>2019</u>
Operating revenues:		
Refuse services	\$ 27,171	\$ 26,723
Operating expenses:		
Refuse collection	12,250	12,028
Personal services	5,050	4,887
Other operating expenses	6,215	6,195
Depreciation	<u>1,890</u>	<u>2,007</u>
Total operating expenses	<u>25,405</u>	<u>25,117</u>
Operating income	<u>1,766</u>	<u>1,606</u>
Nonoperating revenue (expense):		
Investment income	569	554
Payments in lieu of taxes to primary government	(1,646)	(1,636)
Gain (loss) on disposal of assets	(23)	(158)
Loan financing expense	<u>(4)</u>	<u>(14)</u>
Net nonoperating expense	<u>(1,104)</u>	<u>(1,254)</u>
Change in net position	662	352
Net position, beginning of year	<u>24,039</u>	<u>23,687</u>
Net position, end of year	<u>\$ 24,701</u>	<u>\$ 24,039</u>

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

**TULSA AUTHORITY FOR RECOVERY OF ENERGY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**Statements of Cash Flows**  
**Years Ended June 30, 2020 and 2019**

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(Amounts expressed in thousands)

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Received from customers	\$ 27,246	\$ 26,656
Payments to suppliers for goods and services	(18,801)	(17,727)
Payments to employees for services	<u>(4,514)</u>	<u>(4,247)</u>
Net cash provided by operating activities	<u>3,931</u>	<u>4,682</u>
Cash flows used by noncapital financing activities:		
Payments in lieu of taxes to primary government	<u>(1,646)</u>	<u>(1,636)</u>
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(430)	(932)
Loan payments to Tulsa Public Facilities Authority	(16)	(1,497)
Proceeds from sale of capital assets	<u>24</u>	<u>30</u>
Net cash used by capital and related financing activities	<u>(422)</u>	<u>(2,399)</u>
Cash flows from investing activities:		
Interest received	<u>509</u>	<u>571</u>
Net change in cash and cash equivalents	2,372	1,218
Cash and cash equivalents, beginning of year	<u>20,415</u>	<u>19,197</u>
Cash and cash equivalents, end of year	<u>\$ 22,787</u>	<u>\$ 20,415</u>

(Continued)

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

**TULSA AUTHORITY FOR RECOVERY OF ENERGY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**Statements of Cash Flows, continued**  
**Years Ended June 30, 2020 and 2019**

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(Amounts expressed in thousands)

	<u>2020</u>	<u>2019</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 1,766	\$ 1,606
Adjustments:		
Depreciation	1,890	2,007
Decrease (increase) in receivables	75	(67)
(Decrease) increase in accounts payable and accrued payroll	(299)	499
Increase in other postemployment benefits related amounts	24	10
Increase in compensated absences	65	39
Decrease in pension related amounts	<u>410</u>	<u>588</u>
Net cash provided by operating activities	<u>\$ 3,931</u>	<u>\$ 4,682</u>

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

# **TULSA AUTHORITY FOR RECOVERY OF ENERGY**

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

**Notes to Basic Financial Statements (in thousands of dollars)**

**June 30, 2020 and 2019**

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

**NATURE OF BUSINESS AND REPORTING ENTITY** – The Tulsa Authority for Recovery of Energy (the “Authority”) was created on November 11, 1977, for the benefit of the City of Tulsa (the “City”), to provide for the collection, removal, transportation, and disposal of solid waste within, around, and for the City. Trustees for the Authority include the Mayor of the City and six individuals appointed by the Mayor and confirmed by the City Council. The Authority is included as a discretely presented component unit in the City’s Comprehensive Annual Financial Report (CAFR).

**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 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 basic 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 outflows and inflows 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 transactions. Investment income and voluntary nonexchange transactions are included in nonoperating revenues and expenses.

**CASH AND CASH EQUIVALENTS** – Cash and cash equivalent balances are held within the City’s pooled portfolio. The Authority’s cash and cash equivalents are recorded at the net asset value of their position in the City’s pooled portfolio.

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 as of 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 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.

**TULSA AUTHORITY FOR RECOVERY OF ENERGY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**Notes to Basic Financial Statements, continued (in thousands of dollars)**  
**June 30, 2020 and 2019**

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

**ACCOUNTS RECEIVABLE** – This generally consists of amounts receivable from customers within and around the Tulsa metropolitan area for residential municipal waste collection and disposal and commercial municipal solid waste disposal. Refuse services receivables include amounts for services provided but not billed to customers at year end of approximately \$1,096 and \$1,086 at June 30, 2020 and 2019, respectively.

The Authority recorded an allowance for uncollectible accounts against refuse services receivable of approximately \$87 and \$29 as of June 30, 2020 and 2019, respectively.

**CAPITAL ASSETS** – Capital assets purchased or acquired at an initial cost of \$5 or more are carried at historical cost. Contributed assets are recorded at acquisition value as of the date donated. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Capital assets sold or disposed have their cost and related accumulated depreciation removed from the records. Any gain or loss is recorded as nonoperating income in the period of sale or disposal.

**DEPRECIATION** – Capital assets placed in service are depreciated on a straight-line basis over the following estimated useful lives:

Land Improvements	25 years
Buildings	20-50 years
Equipment	5-20 years

**ADVANCE FROM TULSA PUBLIC FACILITIES AUTHORITY** – Advances from the Tulsa Public Facilities Authority, a blended component unit of the City, represent monies transferred for the purpose of funding debt service payments related to the issuance of revenue bonds. Proceeds from the revenue bonds were used to purchase capital assets to be used in the Authority’s refuse collection system.

**REFUSE COLLECTION** – Refuse collection, curbside recycling, and greenwaste collection expenses for residential customers are determined on the basis of average “head count” (i.e., the number of customers) by type of service each month. This procedure is in accordance with the terms and conditions of the contract between the Authority and Northeast Waste Solutions, LLC.

**INCOME TAXES** – As a political subdivision, the Authority is exempt from federal income taxes under Section 115(1) of the Internal Revenue Code.

**TULSA AUTHORITY FOR RECOVERY OF ENERGY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**Notes to Basic Financial Statements, continued (in thousands of dollars)**  
**June 30, 2020 and 2019**

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

**COMPENSATED ABSENCES** – Vacation and sick leave is granted to all employees. 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 that 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 the employee 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 accrued if the employee has at least 960 hours. The liability for sick leave consists of unpaid, accumulated annual 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 amount of unpaid vacation and sick leave is charged to expense during the period earned and is probable of payout, and a corresponding liability is established.

**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.

**POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS** – Postemployment benefits other than pensions (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 benefits constitute compensation for employee services. A liability for OPEB is recognized when earned by employees.

**DEFERRED OUTFLOW/INFLOW 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.

**TULSA AUTHORITY FOR RECOVERY OF ENERGY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**Notes to Basic Financial Statements, continued (in thousands of dollars)**  
**June 30, 2020 and 2019**

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

**NET POSITION** – Net position of the Authority represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets net of accumulated depreciation and reduced by the outstanding balance of borrowings used to finance the purchase of those assets. Net position is reported as restricted when there are limitations imposed on the assets' 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 assets less liabilities that do not meet the definition of net investment in capital assets or restricted.

**USE OF ESTIMATES** – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**2. CASH DEPOSITS AND CASH EQUIVALENTS**

Cash deposits of the Authority are maintained 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, 2020 and 2019, the Authority maintained balances of \$22,787 and \$20,415, respectively, in the City's pooled portfolio which represented 2.29% and 2.36%, respectively, of the City's pooled portfolio.

The City's pooled portfolio is collateralized by securities held by the City or its agent in the City's name as of June 30, 2020 and 2019.

Please refer to the City's CAFR for additional information on the City's pooled portfolio, including required disclosures of risks and fair value measurements. A copy of the City's separately-issued report can be obtained at [www.cityoftulsa.org](http://www.cityoftulsa.org).



**TULSA AUTHORITY FOR RECOVERY OF ENERGY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**Notes to Basic Financial Statements, continued (in thousands of dollars)**  
**June 30, 2020 and 2019**

**3. CAPITAL ASSETS**

The changes in capital assets for the year ended June 30, 2020 and 2019 are summarized as follows:

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
<b>2020</b>				
Nondepreciable capital assets				
Construction In Progress	\$ 171	\$ -	\$ -	\$ 171
Depreciable capital assets:				
Land Improvements	410	-	-	410
Buildings	827	-	-	827
Equipment	20,743	430	508	20,665
	<u>21,980</u>	<u>430</u>	<u>508</u>	<u>21,902</u>
Less accumulated depreciation:				
Land Improvements	(23)	(18)	-	(41)
Buildings	(684)	(7)	-	(691)
Equipment	(13,416)	(1,865)	(460)	(14,821)
Total accumulated depreciation	<u>(14,123)</u>	<u>(1,890)</u>	<u>(460)</u>	<u>(15,553)</u>
Depreciable capital assets, net	<u>7,857</u>	<u>(1,460)</u>	<u>48</u>	<u>6,349</u>
Capital assets, net	<u>\$ 8,028</u>	<u>\$ (1,460)</u>	<u>\$ 48</u>	<u>\$ 6,520</u>
<b>2019:</b>				
Nondepreciable capital assets				
Construction In Progress	\$ 171	\$ -	\$ -	\$ 171
Depreciable capital assets:				
Land Improvements	184	226	-	410
Buildings	833	-	6	827
Equipment	20,365	706	328	20,743
	<u>21,382</u>	<u>932</u>	<u>334</u>	<u>21,980</u>
Less accumulated depreciation:				
Land Improvements	(10)	(13)	-	(23)
Buildings	(680)	(7)	(3)	(684)
Equipment	(11,572)	(1,987)	(143)	(13,416)
Total accumulated depreciation	<u>(12,262)</u>	<u>(2,007)</u>	<u>(146)</u>	<u>(14,123)</u>
Depreciable capital assets, net	<u>9,120</u>	<u>(1,075)</u>	<u>188</u>	<u>7,857</u>
Capital assets, net	<u>\$ 9,291</u>	<u>\$ (1,075)</u>	<u>\$ 188</u>	<u>\$ 8,028</u>

The Authority has use of land at no cost that belongs to the City.

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**June 30, 2020 and 2019**

**4. LONG-TERM LIABILITIES**

The changes in long-term liabilities for the years ended June 30, 2020 and 2019 are summarized as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
<b>2020:</b>					
Long-term liabilities:					
Advance from Tulsa Public					
Facilities Authority	\$ 12	\$ -	12	\$ -	\$ -
Compensated absences	390	333	268	455	261
Net pension liability	5,380	436	-	5,816	-
Total OPEB liability	<u>209</u>	<u>67</u>	<u>-</u>	<u>276</u>	<u>-</u>
 Total other long-term liabilities	 <u>\$ 5,991</u>	 <u>\$ 602</u>	 <u>\$ 280</u>	 <u>\$ 6,547</u>	 <u>\$ 261</u>
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
<b>2019:</b>					
Long-term liabilities:					
Advance from Tulsa Public					
Facilities Authority	\$ 1,495	\$ -	\$ 1,483	\$ 12	\$ 12
Vested compensated absences	351	348	309	390	255
Net pension liability	4,560	820	-	5,380	-
Total OPEB liability	<u>216</u>	<u>-</u>	<u>7</u>	<u>209</u>	<u>-</u>
 Total other long-term liabilities	 <u>\$ 6,622</u>	 <u>\$ 1,168</u>	 <u>\$ 1,799</u>	 <u>\$ 5,991</u>	 <u>\$ 267</u>

The Authority entered into a projects agreement with the City and the Tulsa Public Facilities Authority (the "TPFA"), a blended component unit of the City. The projects agreement provides financing for the acquisition, furnishing, equipping, maintaining, storing, and delivering of trash carts and other capital improvements, equipment and facilities for use in the operations of the Authority's system for solid waste management providing collection and disposal of collectible residential solid waste of the City. The financing is provided by TPFA through the issuance of bonds to be repaid by revenues received by the Authority from the collection of residential solid waste. In the event the Authority fails to make the required payments, the City will be required to make the debt service payments, subject to certain conditions.

In April 2012 TPFA issued \$10,900 in capital improvements revenue bonds secured by a pledge by the Authority and the City for the purpose as described in the projects agreement. The bonds carried an interest rate of 4% and the last bond payment was made on April 1, 2020. The outstanding balance at June 30, 2019 was \$12. The final bond payment was made by TPFA during the year and there was no payable to TPFA at June 30, 2020.

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**5. PENSION PLAN**

**Plan Description** – Employees of the Authority are provided with pensions through the Municipal Employees’ Retirement Plan (MERP) - a cost-sharing multiple-employer defined benefit pension plan administered by the City. MERP provides retirement, disability and death benefits which are established by City ordinance to plan members and beneficiaries. MERP’s financial statements and required supplementary information are included in the City’s CAFR. The report may be obtained by writing to the City of Tulsa, Office of the Controller, 175 E. 2<sup>nd</sup> Street, Tulsa, Oklahoma 74103, or online at [www.cityoftulsa.org](http://www.cityoftulsa.org).

**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 percent per year prior to age 65. Employees entering the plan on or after July 1, 2018 are eligible for full retirement at age 65, with 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 percent 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 6.5 percent of their pensionable wages for the years ended June 30, 2020 and 2019. The Authority was required to contribute 15.5 percent of pensionable wages for the years ended June 30, 2020 and 2019. Actual contributions to the pension plan from MERP were \$465 and \$441 for the years ended June 30, 2020 and 2019, respectively.

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

At June 30, 2020, the Authority reported a liability of \$5,816 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2020. Standard update procedures were used to roll forward the total pension liability to June 30, 2020. The liability for June 30, 2019 was \$5,380. 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, 2020 and 2019, the Authority’s proportion was 2.2902 percent and 2.2910 percent, respectively.

For the year ended June 30, 2020 the Authority recognized pension expense of \$875 and for the year ended June 30, 2019 pension expense of \$1,030. At June 30, 2020 and 2019, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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**5. PENSION PLAN, continued**

<b>2020:</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual		
plan experience	\$ 10	\$ 101
Changes of assumptions	326	-
Net difference between projected and		
actual earnings on pension plan investments	391	-
Changes in proportion and differences		
between Authority's contributions and		
proportionate share of contributions	3	35
Total	<u>\$ 730</u>	<u>\$ 136</u>
<b>2019:</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual		
plan experience	\$ 25	\$ 180
Changes of assumptions	624	-
Net difference between projected and		
actual earnings on pension plan investments	160	-
Changes in proportion and differences		
between Authority's contributions and		
proportionate share of contributions	5	66
Total	<u>\$ 814</u>	<u>\$ 246</u>

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**5. PENSION PLAN, continued**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (gain) as follows.

<u>Year</u>	
2021	\$ 128
2022	228
2023	161
2024	<u>77</u>
	<u>\$ 594</u>

**Actuarial assumptions** – The total pension liability was determined by an actuarial valuation as of January 1, 2020, using the following actuarial assumptions, applied to all periods included in the measurement.

Inflation	2.50 percent
Salary increases	3.50 to 11.25 percent, including inflation.
Investment rate of return	7.00 percent compounded annually, net of investment expense and including inflation

Mortality rates were based on RP-2014 Combined Healthy Mortality Tables with Blue Collar adjustments. Generational mortality improvements with Scale MP-2015 are from the table's base year of 2014.

The actuarial assumptions used in the January 1, 2020 valuation were based on the results of an actuarial experience study for the five-year period ending December 31, 2015.

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

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**5. PENSION PLAN, continued**

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	24%	1.16%
Domestic equity	36%	6.19%
International equity	24%	6.59%
Real estate	8%	4.24%
Commodities	3%	0.50%
Timber	4%	3.80%
Cash	1%	0.11%
Total	100%	

**Discount Rate** – The discount rate used to measure the total pension liability was 7.00 percent. 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 July 1, 2017, and all future years, it is assumed that the employer contribution rate will be 15.50 percent of payroll, which is the actuarially determined contribution rate. 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 position liability calculated using the discount rate of 7.00 percent, 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 (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate.

<b>2020</b>	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
Authority's proportionate share of the net pension liability	\$ 7,812	\$ 5,816	\$ 4,152
<b>2019</b>	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
Authority's proportionate share of the net pension liability	\$ 7,324	\$ 5,380	\$ 3,759

*Pension plan fiduciary net position.* Detailed information about the pension plan’s fiduciary net position is available in the City’s CAFR; which can be located at [www.cityoftulsa.org](http://www.cityoftulsa.org).

**TULSA AUTHORITY FOR RECOVERY OF ENERGY**  
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**6. 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 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, 2020, the Authority reported a liability of \$276 for its proportionate share of the OPEB liability. The total OPEB liability was measured as of June 30, 2020 and was determined by an actuarial valuation as of June 30, 2020. The total OPEB liability for June 30, 2019 was \$209. 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, 2020 and 2019, the Authority’s proportion was 3.3333 percent and 3.3997 percent, respectively.

For the years ended June 30, 2020 and 2019 the Authority recognized OPEB expense of \$35 and \$26, respectively. At June 30, 2020 and 2019, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

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

<b>2020:</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual plan experience	\$ 63	\$ 8
Changes of assumptions	15	3
Changes in proportion and differences between Authority's contributions and proportionate share of contributions	5	5
Total	\$ 83	\$ 16

<b>2019:</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual plan experience	\$ 26	\$ 11
Changes of assumptions	9	5
Changes in proportion and differences between Authority's contributions and proportionate share of contributions	7	2
Total	\$ 42	\$ 18

Amount 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 participants (active and retirees) as follows:

<u>Year</u>	
2021	19
2022	15
2023	13
2024	9
2025	11
	\$ 67



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

**Actuarial assumptions** – The total OPEB liability was determined by an actuarial valuation as June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement.

Inflation	3.0 percent
Salary increases	4.00 to 11.75 percent, including 3.0% inflation and 1.0% productivity
Healthcare cost trend rate	8.0% for 2020, decreasing by 0.5 % annually to an ultimate rate of 4.5%

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

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

The actuarial assumptions used in the June 30, 2020 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.

**Discount Rate** – The OPEB plan is financed on a pay-as-you-go basis, thus a long-term rate of return was not used. The discount rate used to measure the total OPEB liability was 2.66 and 3.51 percent as of June 30, 2020 and 2019, respectively. The source of the discount rate used was the S&P Municipal Bond 20-Year High Grade Rate Index and the Bond Buyer 20-Bond GO Index for June 30, 2020 and 2019, respectively.

**TULSA AUTHORITY FOR RECOVERY OF ENERGY**  
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**6. OTHER POSTEMPLOYMENT BENEFITS (OPEB), continued**

**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 2.66 percent, 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 (1.66 percent) or 1-percentage-point higher (3.66 percent) than the current rate. The discount rate in 2019 was 3.51%

	<b>1% Decrease (1.66%)</b>	<b>Current Discount Rate (2.66%)</b>	<b>1% Increase (3.66%)</b>
<b>2020</b>			
Authority's proportionate share of the total OPEB liability	\$ 298	\$ 276	\$ 255
	<b>1% Decrease (2.51%)</b>	<b>Current Discount Rate (3.51%)</b>	<b>1% Increase (4.51%)</b>
<b>2019</b>			
Authority's proportionate share of the total OPEB liability	\$ 224	\$ 209	\$ 194

**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 8.0 percent decreasing to 4.5 percent, 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 (7.0 percent) or 1-percentage-point higher (9.0 percent) than the current rate:

	<b>1% Decrease (7.0% decreasing to 3.5%)</b>	<b>Current Rate (8.0% decreasing to 4.5%)</b>	<b>1% Increase (9.0% decreasing to 5.5%)</b>
<b>2020</b>			
Authority's proportionate share of the total OPEB liability	\$ 249	\$ 276	\$ 308
	<b>1% Decrease (7.5% decreasing to 4.0%)</b>	<b>Current Rate (8.5% decreasing to 5.0%)</b>	<b>1% Increase (9.5% decreasing to 6.0%)</b>
<b>2019</b>			
Authority's proportionate share of the total OPEB liability	\$ 189	\$ 209	\$ 231

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**7. 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 premium costs are passed on to the Authority through indirect cost allocation. The Authority is 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.

**8. RELATED PARTY TRANSACTIONS**

During the years ended June 30, 2020 and 2019, the Authority conducted the following transactions with related parties:

	<u>2020</u>	<u>2019</u>
Payments in lieu of taxes to City of Tulsa	\$ 1,646	\$ 1,636
Insurance and indirect cost reimbursement to City of Tulsa	\$ 1,524	\$ 1,503
Refuse service revenue from City of Tulsa	\$ 222	\$ 211
Charges paid to City of Tulsa for fuel and equipment maintenance	\$ 752	\$ 684
Payments to Tulsa Public Facilities Authority for loan financing	\$ 16	\$ 1,497

**9. CONTINGENCY**

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

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**Municipal Employees' Retirement Plan**  
**Schedule of Proportionate Share - For the current and prior six 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>
2020	2.2902%	\$ 5,816	\$ 3,000	194%	65.22%
2019	2.2910%	5,380	2,845	189%	66.91%
2018	2.3229%	4,560	2,774	164%	70.61%
2017	2.3177%	4,579	2,700	170%	69.39%
2016	2.3555%	5,095	2,766	184%	65.62%
2015	2.3682%	2,966	2,454	121%	77.13%
2014	2.2576%	2,522	2,503	101%	79.29%

\* Information prior to 2014 is not available.

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%.

**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</b>	<b>Actual Contributions as a Percentage of Covered Payroll</b>
2020	\$ 465	\$ 465	\$ -	\$ 3,000	15.50%
2019	438	441	(3)	2,845	15.50%
2018	429	432	(3)	2,786	15.50%
2017	322	322	-	2,800	11.50%
2016	312	312	-	2,712	11.50%
2015	296	377	(81)	2,647	14.24%
2014	244	244	-	2,122	11.50%
2013	225	225	-	2,250	10.00%
2012	205	295	(90)	2,206	13.37%
2011	153	211	(58)	2,427	8.69%

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**June 30, 2020**

**Postemployment Benefits Other than Pensions Plan**  
**Schedule of Proportionate Share - For the current and prior four 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>
2020	3.3333%	\$ 276	\$ 3,680	7.5%	0.00%
2019	3.3997%	209	3,658	5.7%	0.00%
2018	3.4233%	216	3,541	6.1%	0.00%
2017	3.1996%	180	3,333	5.4%	0.00%
2016	3.2614%	196	3,267	6.0%	0.00%

\* Information prior to 2016 is not available

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:

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

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

<b>Year</b>	<b>Contractually Required Contributions</b>	<b>Actual Contributions</b>	<b>Contribution Deficiency (Excess)</b>	<b>Covered Payroll</b>	<b>Actual Contributions as a Percentage of Covered Payroll</b>
2020	\$ 11	\$ 11	\$ -	\$ 3,680	0.00%
2019	16	16	-	3,658	0.44%
2018	7	7	-	3,541	0.20%
2017	39	39	-	3,333	1.17%
2016	26	26	-	3,267	0.80%

\* Information prior to 2016 is not available

