Metropolitan Tulsa Transit Authority
A Component Unit of the City of Tulsa, Oklahoma

Financial Report
June 30, 2024

Contents

RSM US LLP

Independent Auditor's Report

Board of Trustees
Metropolitan Tulsa Transit Authority

Report on the Audits of the Financial Statements

Opinion
We have audited the financial statements of the Metropolitan Tulsa Transit Authority (the Authority), a component unit of the City of Tulsa, Oklahoma, as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Authority, as of June 30, 2024, and the changes in financial position and its cash flows, for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion
We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audits of the Financial Statements section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

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

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

In performing audits in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

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

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

Supplementary Information
Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The schedule of expenditures of federal awards, schedule of operating expenses, excluding depreciation, and schedule of project costs, listed in the table of contents as supplementary information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of expenditures of federal awards, schedule of operating expenses, excluding depreciation, and schedule of project costs are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2024 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

RSM US LLP

Kansas City, Missouri
December 20, 2024

As management of the Metropolitan Tulsa Transit Authority (the Authority), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year's ended June 30, 2024 and 2023. The Authority is a component unit of the City of Tulsa, Oklahoma. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements, which begin on page 10. All amounts are expressed in thousands of dollars.

Financial Highlights

- The assets and deferred outflows of resources of the Authority exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by approximately $19,187 (net position). For fiscal year 2023, the assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by approximately $17,508.
- During fiscal year 2024, the Authority's total net position increased by approximately $1,678. For fiscal year 2023, the Authority's total net position increased by approximately $190.
- The Authority's total liabilities decreased by approximately $1,491 during fiscal year 2024.
- For the year ended June 30, 2024, net capital assets increased by approximately $152. For the year ended June 30, 2023, net capital assets increased by approximately $294.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's 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 basic financial statements. This report also contains other supplementary information to demonstrate compliance with finance-related activities.

Required 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 and 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 of its costs through its user fees and other charges. 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, noncapital financing, 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.

Net Position

The Authority's net position increased by $1,678 for the fiscal year ending June 30, 2024. The Authority's net position increased by $190 for the fiscal year ended June 30, 2023. Capital assets increased by $152 purchase of a security fence, driver barriers, and CNG station. Long-term liabilities decreased by $924 due to decreases in net pension liability for the pension plans in which the Authority participates.

Net Position
(in thousands of dollars)

		2024		2023
Assets				
Current and other assets	**$**	**6,768**	$	6,735
Capital assets, net		**26,590**		26,438
Total assets		**33,358**		33,173
Deferred outflows of resources		**1,378**		2,117
Liabilities				
Current and other liabilities		**1,569**		2,136
Long-term liabilities		**11,721**		12,645
Total liabilities		**13,290**		14,781
Deferred inflows of resources		**2,260**		3,001
Net position				
Investment in capital assets		**24,804**		24,404
Restricted for other purposes		**1,087**		750
Unrestricted (deficit)		**(6,705)**		(7,646)
Total net position	**$**	**19,186**	$	17,508

Change in Net Position
For the year ended June 30, 2024, the Authority's total operating revenues decreased by $115 and operating expenses increased by $19. The key factor in the slight decrease in operating revenues is attributed to the increase in ridership during the fiscal year, The Authority does still find it challenging to hire and maintain the minimum buses drivers needed to provide full fixed route service during the pandemic therefore the Authority has continued the mortified service that it began in prior fiscal years.The authority has began seeing an increase in our MicroLink service, that replaced Nightline and Sunday services, however, the revenue from that increase ridership is not at the same level for revenues. The increase in operating expense was primarily driven by the continued cost increases of inventory for buses that are aging.

For the year ended June 30, 2023, the Authority's total operating revenues increased by $465 and operating expenses increased by $1,428. The key factor in the slight increase in operating revenues is attributed to the increase in ridership during the fiscal year, The Authority does still find it challenging to hire and maintain the minimum buses drivers needed to provide full fixed route service during the pandemic therefore the Authority has continued the mortified service that it began last fiscal year. The Authority began a pilot in April of 2023 for a new service called Micro Transit that began replacing Nightline and Sunday services which helped increase ridership in those areas. The increase in operating expense was primarily driven by the continued cost increases of inventory for buses that are aging.

Changes in Net Position
(in thousands of dollars)

		2024		2023
Operating revenues	**$**	**2,289**	$	2,404
Nonoperating and capital revenues		**28,444**		26,837
Total revenues		**30,733**		29,241
Operating expenses		**28,835**		28,854
Nonoperating expenses		**219**		197
Total expenses		**29,054**		29,051
Increase in net position	**$**	**1,679**	$	190

Capital Assets
The Authority's investment in capital assets as of June 30, 2024 amounts to approximately $26,591 (net of accumulated depreciation). This investment in capital assets includes revenue and service equipment, land, buildings information technology and other equipment.

Net Capital Assets
(in thousands of dollars)

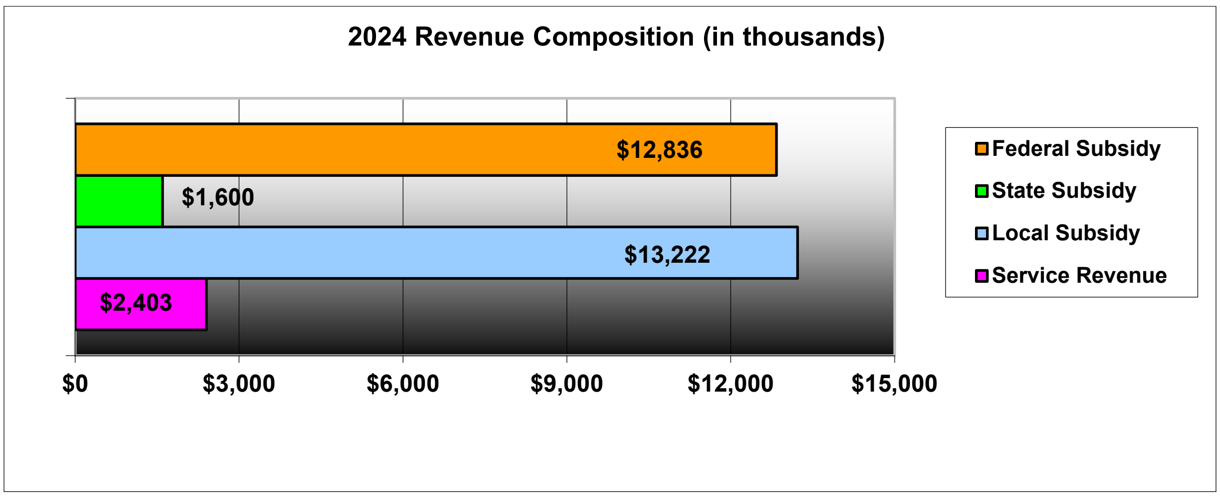
		2024		2023
Revenue equipment	**$**	**42,747**	$	38,568
Service equipment		**643**		574
Passenger shelters		**2,093**		2,093
Security equipment		**2,203**		908
Buildings		**13,014**		12,921
Shop and garage equipment		**3,518**		3,276
Other equipment		**6,594**		6,268
Furniture and fixtures		**210**		210
Construction in progress		**2,634**		3,333
Land		**272**		1,128
Right-use-use leased assets		**2,445**		2,445
		76,373		71,724
Less accumulated depreciation		**(49,782)**		(45,287)
Net capital assets	**$**	**26,591**	$	26,437

During FY24, the Authority purchased three new Gillig buses to help reduce the carbon footprint and aging buses, a security perimeter fence, a new work truck, AERO signage, lot repairs, on board validators for credit cards, and paved many areas in our employee and bus parking lot. In FY24 the Authority purchased a new website to be able to communicate to the public what is going on in transit, enhanced their app for all customers to be able to purchase tickets on the go which will begin the process to move to less paper tickets.

The Authority's total capital investments for FY24 totaled $5,710,264 with a funding ratio of 73% federal and 27% local.

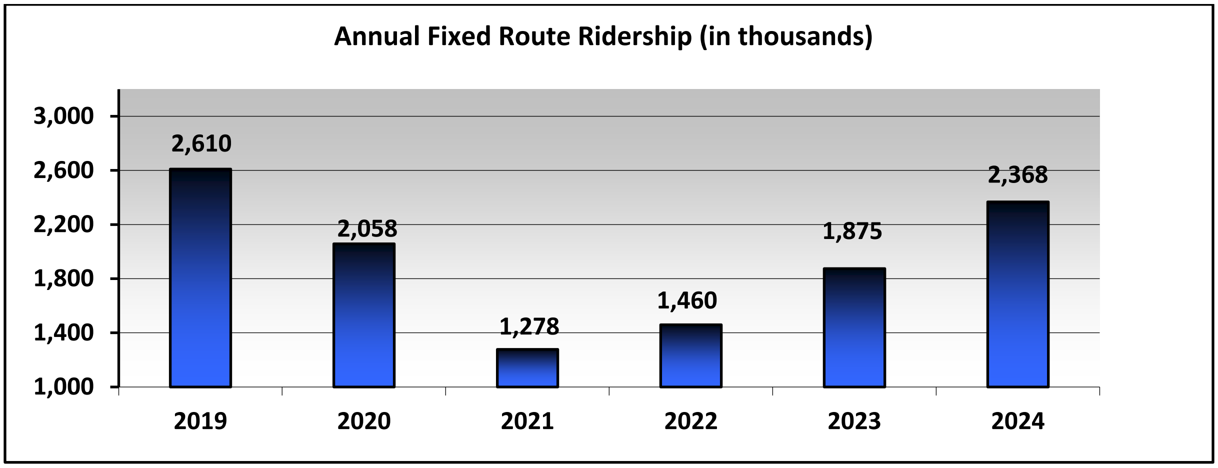
Economic Factors (in thousands)
The Authority provides public transportation programs to residents in Tulsa, Broken Arrow, Jenks, Sand Springs and Turley. These services include fixed route bus service, ADA paratransit services for the disabled, commuter bus services, with a MicroLink service for evening, Sunday, and areas during the day that fixed route is less able to accommodate. To coordinate these services and provide information to the public, the Authority operates a customer call center, which processes over 120,000 inquiries annually. ADA paratransit services are provided by legal stature that the City has requested to go beyond the FTA requirement, ran by MTTA as of FY24 and the service is called LinkAssist.

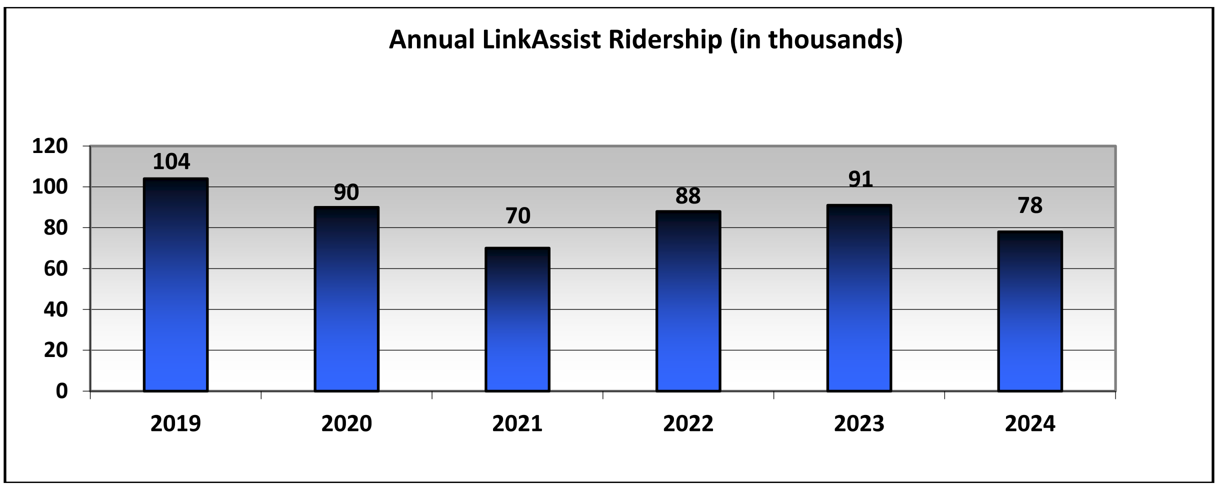
The Authority is funded by fare and advertising revenues, annual apportionments from the City of Tulsa, State of Oklahoma Transit Fund, and Federal subsidies awarded through various Federal Transportation Administration (FTA) grant agreements. Revenues of $13,222 from the City of Tulsa apportionments funded operating expenses and the capital purchases. Including a gain on sale of assets, the Authority's 2024 total revenues were $30,733. The following chart details the Authorities revenue composition for 2024:



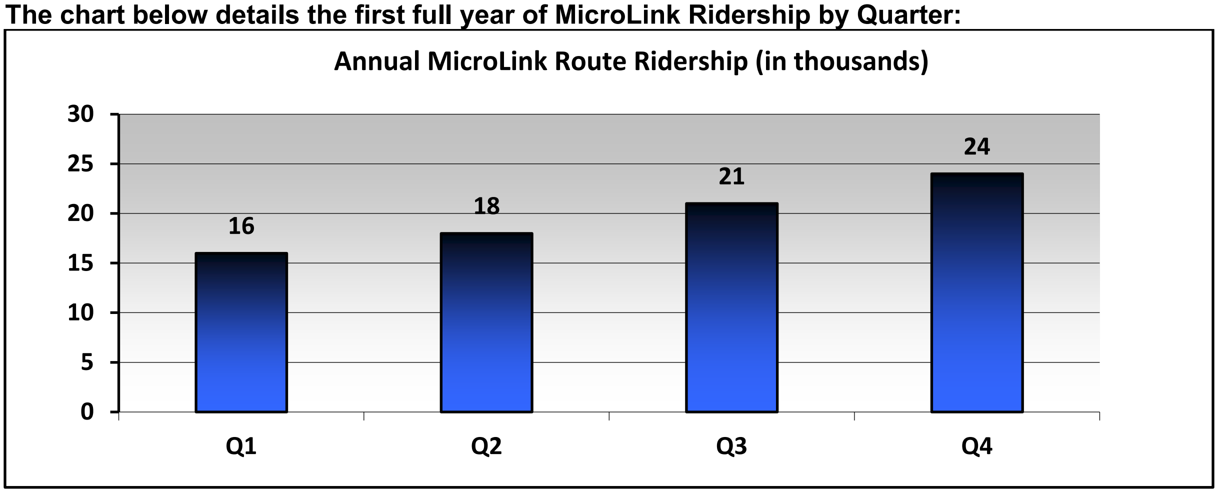
By purchasing software that allows the Authority to better monitor customer travel around the service area, the Authority has been making massive changes in how current routes are to be ran. Multiple surveys and customer feedback have helped navigate how we move forward with route changes. This has helped the Authority begin seeing ridership return as well as new riders. During the months of July and August of FY24, the Authority provided free fares and reduced service during the year trying to bring back riders along with wanting to help the public during gas surges throughout the summer.

The charts below details Fixed Route and LinkAssit Ridership for the last six years:





The chart below details the first full year of MicroLink Ridership by Quarter:



Request for Information

This financial report is designed to provide a general overview of the Authority's finances for all of 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 Chief Financial Officer, Metropolitan Tulsa Transit Authority, 510 S. Rockford Avenue, Tulsa, Oklahoma 74120.

Metropolitan Tulsa Transit Authority
(A Component Unit of the City of Tulsa, Oklahoma)

Statements of Net Position
June 30, 2024 and 2023

	2024	2023
Assets		
Current assets:		
Cash and cash equivalents	$ 565,396	$ 405,639
Designated cash and cash equivalents	2,007,511	3,068,000
Restricted cash	73,218	179,397
Total cash and cash equivalents	2,646,125	3,653,036
Accounts receivable:		
Trade	199,588	177,363
Operating and capital grants	1,232,007	820,085
Inventories	1,289,317	1,205,073
Prepaid expenses and other	386,344	309,493
Total current assets	5,753,381	6,165,050
Noncurrent assets, restricted cash	1,014,201	570,106
Capital assets, at cost:		
Revenue equipment	42,746,890	38,567,739
Service equipment	642,793	574,172
Passenger shelters	2,092,715	2,092,715
Security equipment	2,203,368	908,189
Buildings	13,014,096	12,920,749
Shop and garage equipment	3,517,524	3,276,044
Other equipment	6,593,691	6,268,116
Furniture and fixtures	209,681	209,681
Land	2,633,707	3,333,309
Construction in progress	271,876	1,128,408
Right to use asset-subscription based assets	295,594	295,594
Right to use asset-leased equipment	2,149,893	2,149,893
	76,371,828	71,724,609
Less accumulated depreciation and amortization	49,781,607	45,286,810
Total capital assets, net	26,590,221	26,437,799
Total assets	33,357,803	33,172,955
Deferred outflows of resources		
Pension related amounts	1,378,218	2,117,186
Total deferred outflows of resources	1,378,218	2,117,186

See notes to basic financial statements.

	2024	2023
Liabilities		
Current liabilities:		
Accounts payable:		
Trade	**$ 714,143**	$ 1,301,153
Other	**143,462**	52,552
Accrued wages payable	**260,132**	216,301
Accrued compensated absences	**42,358**	52,401
Accrued insurance claims	**82,610**	73,400
Accrued pension contributions	**-**	117,622
Unearned revenue	**80,341**	72,054
Lease and SBITA liability	**245,809**	250,087
Total current liabilities	**1,568,855**	2,135,570
Noncurrent liabilities:		
Advances payable to the City of Tulsa	**326,674**	326,674
Net pension liability—MERP	**5,292,612**	5,192,392
Net pension liability—Union plan	**4,235,164**	4,939,149
Accrued compensated absences	**325,974**	403,262
Lease and SBITA liability	**1,540,147**	1,783,383
Total noncurrent liabilities	**11,720,571**	12,644,860
Total liabilities	**13,289,426**	14,780,430
Deferred inflows of resources		
Pension related amounts	**2,259,956**	3,001,470
Total deferred inflows of resources	**2,259,956**	3,001,470
Net position		
Investment in capital assets	**24,804,265**	24,404,329
Restricted, expendable for capital acquisitions	**1,014,201**	570,106
Restricted, expendable for worker's compensation	**73,218**	179,397
Unrestricted, deficit	**(6,705,045)**	(7,645,591)
Total net position	**$ 19,186,639**	$ 17,508,241

Metropolitan Tulsa Transit Authority
(A Component Unit of the City of Tulsa, Oklahoma)

Statements of Revenues, Expenses and Changes in Net Position
Years Ended June 30, 2024 and 2023

	2024	2023
Operating revenues:		
Passenger	$ 1,590,067	$ 1,725,518
Advertising	677,811	649,074
Other	21,574	29,387
Total operating revenues	2,289,452	2,403,979
Operating expenses:		
Labor	11,855,181	9,338,704
Purchased transportation	-	3,437,150
Materials and supplies consumed	4,462,218	4,229,664
Fringes	4,807,669	3,984,833
Services	948,575	1,033,229
Insurance	728,717	478,487
Utilities	625,729	560,379
Depreciation and amortization	4,494,797	4,571,101
Other	911,935	1,220,104
Total operating expenses	28,834,821	28,853,651
Operating loss	(26,545,369)	(26,449,672)
Nonoperating revenues (expenses):		
Federal Transit Administration operating grants	8,674,227	8,847,325
State of Oklahoma operating grants	1,666,114	1,612,500
City of Tulsa operating appropriations	11,834,308	11,335,695
Interest income	123,922	80,527
Interest expense	(219,087)	(105,527)
Loss on disposal of capital assets	(147)	(91,276)
Other	591,289	495,528
Total nonoperating revenues	22,670,626	22,174,772
Deficiency of revenues over expenses before capital contributions and capital grants	(3,874,743)	(4,274,900)
Capital grants, Federal Transit Administration	4,164,971	3,244,483
Capital contributions, City of Tulsa	1,388,170	1,220,282
Total capital contributions	5,553,141	4,464,765
Change in net position	1,678,398	189,865
Net position, beginning of year	17,508,241	17,318,376
Net position, end of year	$ 19,186,639	$ 17,508,241

See notes to basic financial statements.

Metropolitan Tulsa Transit Authority
(A Component Unit of the City of Tulsa, Oklahoma)

Statements of Cash Flows
Years Ended June 30, 2024 and 2023

	2024	2023
Cash flows from operating activities:		
Cash received from customers	**$ 2,275,514**	$ 2,349,025
Cash payments to suppliers for goods and services	**(8,325,159)**	(11,723,970)
Cash payments to employees	**(17,430,283)**	(14,087,516)
Net cash used in operating activities	**(23,479,928)**	(23,462,461)
Cash flows from noncapital financing activities:		
Operating grants received from Federal Transit Administration	**8,262,305**	9,383,321
Operating appropriations received from the City of Tulsa	**11,834,308**	11,335,695
Operating grants received from the state of Oklahoma	**1,666,114**	1,612,500
Other assistance received	**591,289**	495,528
Net cash provided by noncapital financing activities	**22,354,016**	22,827,044
Cash flows from capital and related financing activities:		
Construction and purchase of capital assets	**(5,491,712)**	(4,189,668)
Capital contributions from Federal Transit Administration	**4,164,971**	3,244,483
Capital contributions from the City of Tulsa	**1,388,170**	1,220,282
Payments for lease and SBITA principal	**(247,514)**	(236,086)
Interest expense	**(219,087)**	(105,527)
Proceeds from sale of capital assets	**844,346**	71,859
Net cash provided by capital and related financing activities	**439,174**	5,343
Cash flows provided by investing activities, interest earned	**123,922**	80,527
Decrease in cash and cash equivalents	**(562,816)**	(549,547)
Cash and cash equivalents, beginning of year	**4,223,142**	4,772,689
Cash and cash equivalents, end of year	**$ 3,660,326**	$ 4,223,142
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	**$ (26,545,369)**	$ (26,449,672)
Depreciation	**4,494,797**	4,571,101
Changes in operating assets and liabilities:		
Accounts receivable	**(22,225)**	(44,927)
Inventories	**(84,244)**	(228,757)
Prepaid expenses and other	**(76,851)**	179,455
Accounts payable	**(496,100)**	(670,654)
Accrued liabilities	**17,497**	(55,028)
Payable to employees	**(161,122)**	(387,530)
Change in net pension liability and other pension related amounts	**(606,311)**	(376,449)
Net cash used in operating activities	**$ (23,479,928)**	$ (23,462,461)
Noncash capital and related financing activities, capital assets recorded in accounts payable at year-end	**$ -**	$ 542,830

See notes to basic financial statements.

Note 1. Nature of Business, Reporting Entity and Significant Accounting Policies

Nature of business: The Metropolitan Tulsa Transit Authority (the Authority) was created by a trust indenture to provide a means of financing and operating municipal public transportation services. The provisions of the trust provide that the Authority will acquire and operate the transportation services, receive all revenue generated from the transportation services, pay all operating expenses and finance future improvements.

Reporting entity: The City of Tulsa, Oklahoma (the City) is the beneficiary of the trust operated by the Authority and upon termination of the trust, title to the assets of the Authority shall pass to the City. The Authority is a component unit of the City and is included in the City's Annual Comprehensive Financial Report as a discretely presented component unit as the City is the sole beneficiary and finances a significant portion of the Authority's annual operations. The City's Mayor appoints the trustees of the Authority. The Authority cannot incur indebtedness in excess of $100,000 within a year without the City's approval.

Significant accounting policies:

Basis of accounting and presentation: 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 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. Government-mandated nonexchange transactions are recognized when all applicable eligibility requirements are met. Operating revenues and expenses include exchange transactions. Government-mandated nonexchange transactions, interest income and other similar transactions are included in nonoperating revenues and expenses.

Cash and cash equivalents: The Authority considers all investments which have an original maturity of 90 days or less to be cash equivalents. The Authority defines cash and cash equivalents used in the statement of cash flows as all cash and liquid investments with original maturities of 90 days or less (both restricted and unrestricted).

Restricted cash: The Authority is required to maintain a capital match account for its local share of capital assets purchased with the Federal Transit Administration (FTA). The balance is $1,014,201 and $570,106 as of June 30, 2024 and 2023, respectively. Restricted cash includes reserves to comply with the worker's compensation agreement. The balance is $73,218 and $179,397 as of June 30, 2024 and 2023, respectively.

Designated cash: Designated cash includes the Financial Reserve Fund, established and approved by the Board of Trustees, to assist the Authority bridge any potential interruptions in funding as well as providing resources to address extraordinary circumstances with the intent to stabilize operations. The balance is $2,007,511 and $3,068,000 as of June 30, 2024 and 2023, respectively.

Inventories: The parts and fuel inventories are stated at the lower of cost or market with cost being determined on an average cost basis.

Note 1. Nature of Business, Reporting Entity and Significant Accounting Policies (Continued)

Capital assets: Capital assets are defined by the Authority as assets with an initial, individual cost of more than $2,500, and an initial useful life of one year or greater. Capital assets are stated at cost. Donated assets are recorded at acquisition value as of the date donated. Depreciation of capital assets is computed using the straight-line method over the estimated useful life of each asset.

Revenue equipment	4–12 years
Service, shop, garage and other equipment	3–10 years
Furniture and fixtures	4–10 years
Buildings and passenger shelters	10–30 years
Right to use asset-leased equipment	3–30 years
Right to use asset-SBITA leased assets	3–6 years

Maintenance and repairs are charged against operations, while renewals and betterments are capitalized. When a capital asset is retired or otherwise disposed of, the cost and applicable accumulated depreciation are removed from the respective accounts and the resulting gain or loss is recorded as nonoperating income or expense.

Capital contributions and operating grants: Capital contributions represent capital grants and other capital contributions for which all applicable eligibility requirements have been met by the Authority.

It is the policy of the City to support the Authority's operations at a level which permits the Authority to operate on a break-even basis, exclusive of depreciation and capital transactions.

Compensated absences: Authority policies permit most employees to accumulate vacation and sick leave benefits that may be realized as paid time off or, in limited circumstances, as a cash payment. Expense and the related liability are recognized as vacation benefits when earned whether the employee is expected to realize the benefit as time off or in cash. Expense and the related liability for sick leave benefits are recognized when earned to the extent the employee is expected to realize the benefit in cash and is determined using the termination payment method. Sick leave benefits expected to be realized as paid time off are recognized as expense when the time off occurs. No liability is accrued for such benefits employees have earned but not yet realized. Compensated absence liabilities are computed using the regular pay and termination pay rates in effect at the statement of net position date plus an additional amount for compensation-related payments such as Social Security and Medicare taxes computed using rates in effect at that date.

	2023	Additions	Deletions	2024	Due in One Year
Compensated absences	$ 455,663	$ 368,332	$ 455,663	$ 368,332	$ 42,358

	2022	Additions	Deletions	2023	Due in One Year
Compensated absences	$ 874,758	$ 455,663	$ 874,758	$ 455,663	$ 52,401

Note 1. Nature of Business, Reporting Entity and Significant Accounting Policies (Continued)

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 Union Employees' Pension Plan and additions to/deductions from these fiduciary net positions has been determined on the same basis as they are reported by the plans. 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.

Deferred outflows of resources: Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/ expenditure) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension expense.

Deferred inflows of resources: Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources include pension related amounts not yet recognized against pension expense.

Leases (lessee) and similar subscription-based information technology arrangements: The Authority is the lessee for noncancellable leases of equipment. The Authority has recognized a lease liability and an intangible right to use lease asset in the financial statements. The Authority also has noncancelable subscription-based IT arrangements (similar to a lease) for the right-to-use information technology hardware and software (subscription IT arrangements).

At the commencement of a lease, the Authority initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, less lease payments made at or before the lease commencement date, plus any initial direct costs ancillary to placing the underlying asset into service, less any lease incentives received at or before the lease commencement date. Subsequently, the lease asset is amortized into depreciation expense on a straight-line basis over its useful life.

At the commencement of a subscription, the Authority initially measures the subscription IT liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription IT liability is reduced by the principal portion of the subscription payments made. The subscription IT asset is initially measured as the initial amount of the subscription IT liability, less subscription payments made at or before the subscription commencement date, less any vendor incentives received at or before the subscription commencement date, plus the capitalizable implementation costs. Subsequently, the subscription IT asset is amortized into depreciation expense on a straight-line basis over the useful life of the asset.

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

Note 1. Nature of Business, Reporting Entity and Significant Accounting Policies (Continued)

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

The Authority monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets.

Net position: Net position of the Authority represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Investment in capital assets consist of capital assets net of accumulated depreciation. 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 resources are available, the Authority first applies restricted resources. Unrestricted net position (deficit) is the remaining assets less the remaining liabilities that do not meet the definition of net investment in capital assets or restricted. The Board of Trustees has established a Financial Reserve Fund for stabilization purposes, which is included within unrestricted net position (deficit), with a cash balance of $2,007,511 and $3,068,000 as of June 30, 2024 and 2023, respectively. The Board of Trustees must approve expenses from this internally designated fund.

Income taxes: The Authority, as a political subdivision of the City, is excluded from federal income taxes under Section 115(1) of the internal Revenue Code, as amended.

Use of estimates: The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported on the financial statements and accompanying notes. Actual results could differ from those estimates.

Note 2. Deposits and Investments

Deposits: As of June 30, 2024 and 2023, the Authority's cash equivalents consisted of checking accounts and interest-bearing savings accounts. The Authority had no investments. Custodial credit risk is the risk that in the event of a bank failure a government's deposits may not be returned to it. The Authority's deposit policy for custodial credit risk requires compliance with the provisions of state law.

State law requires collateralization of all deposits with federal depository insurance; bonds and other obligations of the U.S. Treasury, U.S. agencies or instrumentalities of the state of Oklahoma; bonds of any city, county, school district or special road district of the state of Oklahoma; bonds of any state; or a surety bond having an aggregate value at least equal to the amount of the deposits.

As of June 30, 2024 and 2023, none of the Authority's bank balances of $3,808,480 and $4,776,617, respectively, were uninsured or uncollateralized.

Note 3. Capital Assets

The changes in capital assets for the years ended June 30, 2024 and 2023 were as follows:

	2024				
	Beginning Balance	Additions	Reductions	Transfers	Ending Balance
Capital assets not being depreciated:					
Construction in progress	$ 1,128,408	$ 5,491,710	$ (144,889)	$ (6,203,353)	$ 271,876
Land	3,333,309	-	(699,602)	-	2,633,707
Total capital assets not being depreciated	4,461,717	5,491,710	(844,491)	(6,203,353)	2,905,583
Capital assets being depreciated:					
Revenue equipment	38,567,739	-	-	4,179,151	42,746,890
Service equipment	574,172	-	-	68,621	642,793
Passenger shelters	2,092,715	-	-	-	2,092,715
Security equipment	908,189	-	-	1,295,179	2,203,368
Buildings	12,920,749	-	-	93,347	13,014,096
Shop and garage equipment	3,276,044	-	-	241,480	3,517,524
Other equipment	6,268,116	-	-	325,575	6,593,691
Furniture and fixtures	209,681	-	-	-	209,681
Right to use asset-subscriptions	295,594	-	-	-	295,594
Right to use asset-leased equipment	2,149,893	-	-	-	2,149,893
Total capital assets being depreciated	67,262,892	-	-	6,203,353	73,466,245
Accumulated depreciation:					
Revenue equipment	24,876,763	2,924,152	-	-	27,800,915
Service equipment	527,678	37,396	-	-	565,074
Passenger shelters	2,021,204	17,953	-	-	2,039,157
Security equipment	833,458	138,024	-	-	971,482
Buildings	10,347,491	353,187	-	-	10,700,678
Shop and garage equipment	2,070,144	223,913	-	-	2,294,057
Other equipment	3,930,202	524,239	-	-	4,454,441
Furniture and fixtures	209,206	475	-	-	209,681
Right to use assets	470,664	275,458	-	-	746,122
Total accumulated depreciation/amortization	45,286,810	4,494,797	-	-	49,781,607
Total capital assets being depreciated, net	21,976,082	(4,494,797)	-	6,203,353	23,684,638
Capital assets, net	$ 26,437,799	$ 996,913	$ (844,491)	$ -	$ 26,590,221

Note 3. Capital Assets (Continued)

	2023				
	Beginning Balance, as Restated	Additions	Reductions	Transfers	Ending Balance
Capital assets not being depreciated:					
Construction in progress	$ 157,136	$ 4,688,424	$ (50,166)	$ (3,666,986)	$ 1,128,408
Land	3,323,209	-	-	10,100	3,333,309
Total capital assets not being depreciated	3,480,345	4,688,424	(50,166)	(3,656,886)	4,461,717
Capital assets being depreciated:					
Revenue equipment	38,357,156	-	(697,989)	908,572	38,567,739
Service equipment	620,415	-	(46,243)	-	574,172
Passenger shelters	2,099,813	-	(7,098)	-	2,092,715
Security equipment	895,871	8,850	-	3,468	908,189
Buildings	12,278,340	50,049	-	592,360	12,920,749
Shop and garage equipment	3,131,019	-	(222,057)	367,082	3,276,044
Other equipment	5,270,967	4,167	(792,422)	1,785,404	6,268,116
Furniture and fixtures	364,971	1,793	(157,083)	-	209,681
Right to use asset-subscriptions	295,594	-	-	-	295,594
Right to use asset-leased equipment	2,149,893	-	-	-	2,149,893
Total capital assets being depreciated	65,464,039	64,859	(1,922,892)	3,656,886	67,262,892
Accumulated depreciation:					
Revenue equipment	22,380,484	3,145,481	(649,202)	-	24,876,763
Service equipment	516,831	53,211	(42,364)	-	527,678
Passenger shelters	2,006,265	22,037	(7,098)	-	2,021,204
Security equipment	790,002	43,456	-	-	833,458
Buildings	10,003,352	344,170	(31)	-	10,347,491
Shop and garage equipment	2,083,229	208,972	(222,057)	-	2,070,144
Other equipment	4,157,470	487,111	(714,379)	-	3,930,202
Furniture and fixtures	362,106	1,107	(154,007)	-	209,206
Right to use assets	205,108	265,556	-	-	470,664
Total accumulated depreciation/amortization	42,504,847	4,571,101	(1,789,138)	-	45,286,810
Total capital assets being depreciated, net	22,959,192	(4,506,242)	(133,754)	3,656,886	21,976,082
Capital assets, net	$ 26,439,537	$ 182,182	$ (183,920)	$ -	$ 26,437,799

Note 4. Pension Plans

Each qualified Authority employee is included in one of two pension plans depending on their status as union or salaried personnel. Each plan is administered by a separate board of trustees and the assets are held in custody by certain banks.

Municipal Employees' Retirement Plan:

Plan description: Certain 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 of Tulsa. 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 of Tulsa's Annual Comprehensive Financial Report (ACFR). The report may be obtained by writing to the City of Tulsa Controller, 175 E. 2nd Street, Tulsa, Oklahoma 74103.

Benefits provided: MERP provides retirement, disability and death benefits. Retirement benefits are determined based on the employee's highest 30 months of pensionable wages during the last five-years of service and a multiplier based on the years of service. Employees entering the plan prior to July 1, 2018, are eligible for full retirement at age 65 and at least 5 years of service or when the years of service plus the employee's age equals or exceeds 80. Reduced benefits are available after age 55 and 5 years of service (Early retirement). Benefits for Early retirement are reduced 2.5% per year prior to age 65. Employees entering the plan on or after July 1, 2018 are eligible for full retirement at age 65, with at least five 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 five years of service (Early retirement). Benefits for early retirement are reduced 6% per year prior to age 65. Five years of service is required for nonservice-related disability eligibility. Disability benefits are determined in the same manner as normal retirement. Death benefits for vested participants are, at the spouse's election, a refund of contribution plus interest or a life annuity of 50% of the member's accrued benefit determined based on final average earnings and service as of the date of death.

Contributions: Contributions are set per City of Tulsa ordinance. Employees were required to contribute 7.5% of their pensionable wages from January 1, 2021 to September 24, 2022, and 8.0% thereafter. The Authority was required to contribute 16.5% of pensionable wages from January 1, 2021 to September 24, 2022, and 17.0% thereafter. Actual contributions to the pension plan from the Authority were $585,037 and $483,001 for the years ended June 30, 2024 and 2023, respectively.

There were no nonemployer contributing entities at MERP.

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions: At June 30, 2024, the Authority reported a liability of $5,292,612 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2024. Standard update procedures were used to roll forward the total pension liability to June 30, 2024. At June 30, 2023, the Authority reported a liability of $5,192,392 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023. Standard update procedures were used to roll forward the total pension liability to June 30, 2024.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, 2024 and 2023, the Authority's proportion was 2.0603% and1.852%, respectively.

Note 4. Pension Plans (Continued)

For the year ended June 30, 2024, the Authority recognized pension expense of $740,841 and $703,142, respectively. At June 30, 2024 and 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2024		2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual plan experience	$ 341,382	$ -	$ 442,761	$ (1,513)
Changes of assumptions	-	(55,570)	151,331	(91,579)
Net difference between projected and actual earnings on pension plan investments	-	(175,662)	114,105	-
Changes in proportion and differences between Authority contributions and proportionate share of contributions	466,558	(323,419)	179,479	(486,762)
Total	$ 807,940	$ (554,651)	$ 887,676	$ (579,854)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years ending June 30:	
2025	$ (29,310)
2026	373,940
2027	(3,971)
2028	(87,370)
	$ 253,289

Actuarial assumptions: The total pension liability was determined by an actuarial valuation as of January 1, 2024, using the following actuarial assumptions, applied to all periods included in the measurement.

Inflation	2.50%
Salary increases	3.50% to 9.50%, including inflation
Investment rate of return	6.75% compounded annually, net of investment expense and including inflation

Mortality rates were based on the Pub-2010 General Employee Mortality Table, projected with the ultimate rates of scale MP-2021 from the base year 2010.

The actuarial assumptions used in the January 1, 2024 valuation were based on the results of an actuarial experience study for the five-year period ending December 31, 2020.

Note 4. Pension Plans (Continued)

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

	Target Allocation	Long-Term Expected Real Rate of Return
Asset Class:		
Fixed income	20%	2.75%
Domestic equity	36%	6.0%
International equity	24%	4.5%
Real estate	12%	5.25%
Commodities/Timber	7%	4.5%
Cash	1%	0.5%
Total	100%	

Discount rate: The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from the participating employers will be made as specified in MERP's funding policy. Beginning January 1, 2021 to September 24, 2022 the employer contribution rate was 16.50% of payroll and 17.00%, thereafter. Based on those assumptions, MERP's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of the projected benefit payments to determine the total pension liability.

Sensitivity of the Authority's proportionate share of the net pension liability to changes in the discount rate: The following presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 6.75%, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate.

2024	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Authority's proportionate share of the net pension liability	$ 7,490,668	$ 5,292,612	$ 3,458,090

2023	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Authority's proportionate share of the net pension liability	$ 7,110,098	$ 5,192,392	$ 3,591,651

Note 4. Pension Plans (Continued)

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the City of Tulsa's Annual Comprehensive Financial Report (ACFR); which can be located at www.cityoftulsa.org.

Union Employees' Pension Plan:

Plan description: The Authority has a pension plan (the Union Plan) covering substantially all of its union employees, which is a single-employer defined benefit pension plan. The Union Plan provides retirement, disability, death and termination benefits to plan members and beneficiaries. The Authority and Local 892 of the Amalgamated Transit Union (the Union) are parties to the Metropolitan Tulsa Transit Authority Union Employees' Pension Plan Agreement (the Agreement) dated July 1, 1975, as amended, and have the authority to establish and amend benefit provisions through renegotiation of the Agreement.

The Union Plan does not issue a stand-alone financial report and is not included in the report of a public employee retirement system or a report of another entity. The Union Plan is excluded from the Authority's reporting entity due to the fiscal dependency criteria not being met.

Benefits provided: The Union Plan provides retirement, disability, death and termination benefits. Retirement benefits for participants who terminated employment prior to July 1, 1998 are determined based on 1.7% times final average earnings, minus 1.25% of primary social security benefit, times years of credited service. Retirement benefits for participants who terminated employment on or after July 1, 1998 and prior to July 1, 2003 are determined based on 1.7% times final average earnings, times years of credited service. Retirement benefits for participants who terminated employment on or after July 1, 2003 and prior to July 1, 2007 are determined based on 1.89% times final average earnings, times years of credited service. Retirement benefits for participants who terminated employment from any position other than a Union position on or after July 1, 2007 are determined based on 1.89% times final average earnings, times years of credited service. Retirement benefits for participants who terminated employment from a Union position on or after July 1, 2007 are determined based on 2.25% times final average earnings, times years of credited service. Participants entering the plan prior to January 1, 2002 and terminating employment prior to July 1, 2001 are eligible for full retirement at age 65. Participants entering the plan prior to January 1, 2002 and terminating employment on or after July 1, 2001 are eligible for full retirement at age 62 or 30 years of service, whichever is earlier. Participants entering the plan on or after January 1, 2002 and prior to January 1, 2018 are eligible for full retirement once the participant has attained both the vesting date and age 62 or has completed 30 years of service, whichever is earlier. Participants entering the plan on or after January 1, 2018 are eligible for full retirement once the participant has attained both the vesting date and age 65 or has completed 30 years of service, whichever is earlier. Reduced benefits are available for participants entering the plan prior to January 1, 2002 after age 55 or the Rule of 85 Date has been attained (early retirement). Reduced benefits are available for participants entering the plan on or after January 1, 2002 after age 55 and the vesting date has been attained or the Rule of 85 Date has been attained. Benefits for early retirement are reduced by 2.5% per year, although there is no reduction in benefits if the Rule of 85 Date has been attained. Participants with at least 10 years of continuous services are eligible for disability benefits. 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 contributions plus interest or a life annuity of 50% of the participant's accrued benefit determined based on final average earnings and credited service as of the date of death.

Note 4. Pension Plans (Continued)

Basis of accounting: The Union Plan's financial information is prepared on the accrual basis of accounting. Member contributions are recognized in the period in which the contributions are due. The Authority's contributions are recognized when due and a formal commitment to provide the contributions is made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. All plan investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price. Securities without an established market value are reported at estimated fair value. Administrative costs of the Union Plan are financed through investment earnings.

All full-time employees represented by the Union who have attained age 21 are eligible to participate in the Union Plan on the first day of the following month of employment. Participants become 100% vested after ten years of service. The membership data at June 30, 2024 and 2023 included:

	2024	2023
Active members	144	140
Retirees and beneficiaries currently receiving benefits	94	86
Inactive members entitled to but not yet receiving benefits	21	13
	259	239

Contributions: The employer and employee contribution rates are determined by the Agreement. The employee contribution rate for the period from January 1, 2021 to December 31, 2022 is 7.5% and 8.00% thereafter. The required minimum employer contribution rate for the period from January 1, 2019 to June 30, 2024 was 11.0%. The actual employer contribution rate for fiscal years 2024 and 2023 was 10.89% and 10.82%, respectively.

Investments: The Union plan assets consist of fixed income funds, equity securities and short-term investments whose value is determined using market values. There are no investments in any one organization representing more than 5% or more of the Union Plan's net position. There are no investments in, loans to, or leases with related parties. The Union Plan shall diversify the investments so as to minimize the risk of large losses unless under the circumstances, it is clearly prudent not to do so.

Following is the plan's asset allocation as of June 30, 2024 and the long-term expected geometric real rate of return for each major asset class.

Asset Class	Asset Allocation	Long-Term Expected Rate of Return
Pooled equities and common stock	66.70%	7.2%
Pooled fixed income funds	33.30	5.2%
	100.00%	

Note 4. Pension Plans (Continued)

Rate of return: For the years ended June 30, 2024 and 2023, the annual money weighted rate of return on pension plan investments, net of pension plan investment expense was 9.29% and 8.39%, respectively. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net pension liability: The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

A schedule of the Authority's changes in its net pension liability for the Union Plan for the years ended June 30, 2024 and 2023 is as follows:

	2024	2023
Total pension liability		
Service cost	$ 750,329	$ 827,016
Interest	1,074,581	1,075,410
Benefit payments, including refunds of member contributions	(1,342,184)	(1,131,742)
Changes of benefit terms	-	-
Difference between expected and actual experience of the total pension liability	(386,112)	(124,822)
Changes in assumptions	-	291,552
Net change in total pension liability	96,614	937,414
Total pension liability—beginning	16,452,780	15,515,366
Total pension liability—ending (a)	$ 16,549,394	$ 16,452,780
Plan fiduciary net position		
Contributions—employer	$ 695,798	$ 608,181
Contributions—employee	488,880	471,809
Net investment income (loss)	1,057,769	896,352
Benefit payments, including refunds of member contributions	(1,342,184)	(1,131,742)
Administrative expense	(99,664)	(72,369)
Net change in plan fiduciary net position	800,599	772,231
Plan fiduciary net position—beginning	11,513,631	10,741,400
Plan fiduciary net position—ending (b)	$ 12,314,230	$ 11,513,631
Net pension liability—ending (a) - (b)	$ 4,235,164	$ 4,939,149
Plan fiduciary net position as a percentage of the total pension liability	74.41%	69.98%

Note 4. Pension Plans (Continued)

Actuarial assumptions: The total pension liability was determined by an actuarial valuation using the following assumptions.

Investment rate of return *	6.50%
Projected salary increases *	3.00%
* Includes inflatlion at 2.50%	
Mortality rates	Pub-2010 Below Median Employee Mortality Table for males and females postretirement was Pub-2010 Below Median Healthy Annuitant Mortality Tabes for males and females. The MP-2020 projection scale was used.

Discount rate: The discount rate used to measure the total pension liability as of June 30, 2024 was 6.50%. The projection of cash flows used to determine the current discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from the Authority will be made at rates equal to the difference between actuarially determined contribution rates and the member (employee) rate. Based on those assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the future benefit payments through the year 2124. As a result, for fiscal year 2024, the long-term expected rate of return on pension plan investments was applied to projected benefit payments for all years.

Sensitivity of the Authority's net pension liability to changes in the discount rate: The following presents the Authority's net pension liability calculated using the single discount rate of 6.50%, 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 or 1-percentage-point higher than the current rate.

2024	1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
Authority's net pension liability as of June 30, 2024	$ 6,001,098	$ 4,235,164	$ 2,738,776

2023	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Authority's net pension liability as of June 30, 2023	$ 6,718,324	$ 4,939,149	$ 3,428,332

Note 4. Pension Plans (Continued)

Pension expense, deferred outflows of resources and deferred inflows of resources related to pensions: For the year ended June 30, 2024 and 2023, respectively, the Authority recognized pension expense of $(65,266) and $17,078, respectively. At June 30, 2024 and 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to the Union Plan pension from the following sources:

	2024		2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ (618,963)	$ -	$ 587,773
Changes of assumptions	188,870	(1,086,342)	249,625	1,833,843
Net difference between projected and actual earnings on pension plan investments	381,408	-	979,885	-
Total deferred amounts to be recognized in pension expense expense in future periods	$ 570,278	$ (1,705,305)	$ 1,229,510	$ 2,421,616

Deferred outflows and inflows of resources are being amortized over a closed period equal to the average of the expected service lives of all employees as of the beginning of the measurement period, which was 3.3447 years as of June 30, 2024. The deferred outflows related to the difference between expected and actual investment earnings is being amortized over a closed 5-year period beginning in the current year. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years ending June 30:	
2025	$ (856,958)
2026	(71,074)
2027	(163,376)
2028	(43,619)
2029	-
	$ (1,135,027)

Note 5. Leases and SBITAs

Lease and subscription IT liabilities activity for the years ended June 30, 2024 and 2023, are as follows:

	Beginning Balance	Increases	Decreases	Balance	One Year
2024					
Leased equipment	$ 1,797,418	$ -	$ 160,646	$ 1,636,772	$ 159,161
Subscription IT lease liability	236,052	-	86,868	149,184	86,648
Total	$ 2,033,470	$ -	$ 247,514	$ 1,785,956	$ 245,809

Note 5. Leases and SBITAs (Continued)

	Beginning Balance, as Restated	Increases	Decreases	Ending Balance	Due in One Year
2023					
Leased equipment	$ 1,973,962	$ -	$ 176,544	$ 1,797,418	$ 163,219
Subscription IT lease liability	295,594	-	59,542	236,052	86,868
Total	$ 2,269,556	$ -	$ 236,086	$ 2,033,470	$ 250,087

The net book value of the capital assets under lease agreements was $1,553,740 at June 30, 2024. During the fiscal year ended June 30, 2024, the Authority recorded $188,702 in amortization expense and $56,113 in interest expense for the right to use these lease equipment items.

The net book value of the assets under subscription based agreements was $148,353 at June 30, 2024. During the fiscal year ended June 30, 2024, the Authority recorded $86,756 in amortization expense and $6,997 in interest expense for the right to use subscription assets.

Future principal and interest payments as of June 30, 2024 were as follows:

Authority as lessee:

	Principal	Interest	Total
Years ending June 30:			
2025	$ 245,809	$ 54,722	$ 300,531
2026	226,949	46,611	273,560
2027	169,837	40,164	210,001
2028	175,439	34,561	210,000
2029	181,226	28,774	210,000
2030-2033	786,696	25,306	812,002
	$ 1,785,956	$ 230,138	$ 2,016,094

Note 6. Commitments and Contingencies

In the normal course of operations, the Authority receives grant funds from federal agencies. The grant programs are subject to audit by agents of the granting agency, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

The Authority is party to other legal proceedings which arise in the normal course of operations. Any liability resulting from these proceedings is not believed by management to have a material effect on the financial statements.

As of June 30, 2024, the Authority has entered into contracts totaling approximately $9,510,400 which will be funded by federal grants.

Note 7. Related-Party Transactions

During the years ended June 30, 2024 and 2023, the Authority received no advances from the City, although $326,000 of prior advances were outstanding as of June 30, 2024 and 2023.

During the years ended June 30, 2024 and 2023, the Authority received operating appropriations from the City of $12,009,308 and $11,335,695, respectively. During the years ended June 30, 2024 and 2023, the Authority received capital appropriations from the City of $1,195,800 and $1,220,282, respectively.

Note 8. Self-Insurance Liability

The Authority is self-insuring its liability for bodily injury and property damage losses incurred. Losses are limited by the Oklahoma Tort Claims Act. The act limits liability to $125,000 per claimant bodily injuries and $25,000 per claimant property damage with a maximum loss per occurrence of $1,000,000. The Authority also self-insured its liability for workers' compensation losses incurred for the first $350,000 per claim and any excess over $5,000,000 per claim. The Authority purchased commercial insurance coverage for workers' compensation claims. Losses estimated to have been incurred and not paid as of the statement of net position date are accrued as a liability. These loss estimates are determined using the history of claims activity from prior years to predict losses which have been incurred but not reported to the Authority.

The following is a summary of the self-insurance activity during the fiscal years ended June 30, 2024 and 2023:

	2024	2023
Liability, beginning of year	$ 73,400	$ 118,401
Claims incurred (recovered):		
Auto/general	99,648	4,999
Claims paid	(90,438)	(50,000)
Liability, end of year	$ 82,610	$ 73,400

Note 9. Accounting Pronouncements

Accounting pronouncements in future years:

GASB Statement No. 101, *Compensated Absences*, clarifies the recognition and measurement guidance for compensated absences. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in case or settled through noncash means. The requirements of this Statement will be effective for the Authority beginning with its fiscal year ending June 30, 2025.

GASB Statement No. 102, *Risk Disclosures*, Issued in December 2023, this Statement will be effective for the Authority beginning with its fiscal year ending June 30, 2025. The primary objective of this Statement is to provide guidance on financial reporting on the risks related to a government's vulnerabilities due to certain concentrations or constraints. The disclosures will provide users with timely information regarding (a) the concentration or constraint, (b) events that could cause a substantial impact, (c) actions taken by the government to mitigate the risk.

Note 9. Accounting Pronouncements (Continued)

GASB Statement No. 103, *Financial Reporting Model Improvements*, Issued in April 2024, this Statement will be effective for the Authority beginning with its fiscal year ending June 30, 2026. This Statement will improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This statement also addresses certain application issues.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*, issued in September 2024, this Statement will be effective for the Authority beginning with its fiscal year ending June 30, 2026. This Statement will improve financial reporting by providing users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments.

The Authority's management has not yet determined the effect these statements will have on the Authority's financial statements.

Metropolitan Tulsa Transit Authority
(A Component Unit of the City of Tulsa, Oklahoma)

Required Supplementary Information (Unaudited)
Municipal Employees' Retirement Plan Schedule of Proportionate Share of the Net Pension Liability and Schedule of Contributions

	June 30,			
	2024	2023	2022	2021
Authority's proportion of the net pension liability	**2.0603%**	1.8520%	2.1297%	1.9982%
Authority's proportionate share of the net pension liability	**$ 5,292,612**	$ 5,192,392	$ 5,724,544	$ 3,613,801
Authority's covered payroll	**3,441,394**	2,861,380	2,620,812	2,535,831
Authority's proportionate share of the net pension liability as a percentage of its covered payroll	**154%**	181%	218%	143%
Plan fiduciary net position as a percentage of the total pension liability	**70.81%**	67.16%	66.62%	76.92%
Contractually required contribution	**$ 585,037**	$ 483,001	$ 432,434	$ 405,733
Contributions in relation to the contractually required contribution	**585,037**	483,001	432,434	405,733
Contribution deficiency (excess)	**$ -**	$ -	$ -	$ -
Authority's covered payroll	**$ 3,441,394**	$ 2,861,380	$ 2,620,812	$ 2,535,831
Contributions as a percentage of covered payroll	**17.00%**	16.88%	16.50%	16.00%

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, amounts reported as changes of assumptions resulted primarily from an inflation decrease from 3.0% to 2.5%, salary increases changed from 4.00%-11.75% to 3.5%-11.25% and investment rate of return decreased from 7.50% to 7.00%.

In 2021, salary increases changed from 3.50%-11.25% to 3.50%-9.50% and investment rate of return (and discount rate) decreased from 7.00% to 6.75%.

In 2022, amounts reported as changes of assumptions resulted from use of an updated mortality projection scale and updated contingent survivor table.

June 30,					
2020	2019	2018	2017	2016	2015
1.9453%	1.8649%	1.9302%	1.7793%	1.7994%	1.7895%
$ 4,940,348	$ 4,379,463	$ 3,789,382	$ 3,515,360	$ 3,892,331	$ 2,241,425
2,548,329	2,316,200	2,477,181	2,234,017	2,143,730	2,004,148
194%	189%	153%	157%	182%	112%
65.22%	66.91%	70.61%	69.39%	65.62%	77.13%
$ 394,991	$ 359,011	$ 357,324	$ 241,312	$ 252,205	$ 230,586
394,991	359,011	357,324	241,312	252,205	230,586
$ -	$ -	$ -	$ -	$ -	$ -
$ 2,548,329	$ 2,316,200	$ 2,477,181	$ 2,234,017	$ 2,143,730	$ 2,004,148
15.50%	15.50%	15.50%	11.50%	11.50%	11.50%

Metropolitan Tulsa Transit Authority
(A Component Unit of the City of Tulsa, Oklahoma)

Required Supplementary Information (Unaudited)
Schedule of Changes in Net Pension Liability
Union Employees' Pension Plan

	June 30,			
	2024	2023	2022	2021
Total Pension Liability				
Service cost	**$ 750,329**	$ 827,016	$ 824,068	$ 1,192,937
Interest	**1,074,581**	1,075,410	1,053,791	849,407
Benefit payments	**(1,342,184)**	(1,131,742)	(972,990)	(908,986)
Difference between expected and actual experience	**(386,112)**	(124,822)	(518,118)	(91,565)
Changes in assumptions	**-**	291,552	-	(4,076,346)
Changes in benefit terms	**-**	-	-	(1,050)
Net change in total pension liability	**96,614**	937,414	386,751	(3,035,603)
Total pension liability—beginning of year	**16,452,780**	15,515,366	15,128,615	18,164,218
Total pension liability—end of year	**$ 16,549,394**	$ 16,452,780	$ 15,515,366	$ 15,128,615
Plan Net Position				
Contributions—employer	**$ 695,798**	$ 608,181	$ 570,391	$ 538,316
Contributions—employee	**488,880**	471,809	341,446	369,692
Investment income, net of investment expenses	**1,057,769**	896,352	(1,846,554)	2,555,958
Benefit payments	**(1,342,184)**	(1,131,742)	(972,990)	(908,986)
Administrative expenses	**(99,664)**	(72,369)	(70,345)	(121,672)
Net change in plan net position	**800,599**	772,231	(1,978,052)	2,433,308
Total plan net position—beginning of year	**11,513,631**	10,741,400	12,719,452	10,286,144
Total plan net position—end of year	**$ 12,314,230**	$ 11,513,631	$ 10,741,400	$ 12,719,452
Net pension liability	**$ 4,235,164**	$ 4,939,149	$ 4,773,966	$ 2,409,163

See note to required supplementary information.

June 30,					
2020	2019	2018	2017	2016	2015
$ 1,061,248	$ 1,035,074	$ 995,022	$ 820,290	$ 568,416	$ 532,080
822,905	822,281	807,543	740,466	798,109	837,382
(981,205)	(947,848)	(913,428)	(918,508)	(797,315)	(858,804)
(412,395)	(833,236)	(667,467)	(211,294)	45,690	(711,676)
-	203,379	(95,085)	(911,983)	2,234,197	809,630
(21,331)	147,783	-	67,797	-	-
469,222	427,433	126,585	(413,232)	2,849,097	608,612
17,694,996	17,267,563	17,140,978	17,554,210	14,705,113	14,096,501
$ 18,164,218	$ 17,694,996	$ 17,267,563	$ 17,140,978	$ 17,554,210	$ 14,705,113
$ 523,337	$ 403,824	$ 383,632	$ 310,926	$ 285,705	$ 285,705
312,859	233,037	189,386	125,333	121,365	117,267
(234,314)	683,110	543,608	925,956	70,587	177,578
(981,205)	(947,848)	(913,428)	(918,508)	(797,315)	(858,804)
(65,588)	(92,868)	(64,338)	(94,714)	(67,884)	(79,342)
(444,911)	279,255	138,860	348,993	(387,542)	(357,596)
10,731,055	10,451,800	10,312,940	9,963,947	10,351,489	10,709,085
$ 10,286,144	$ 10,731,055	$ 10,451,800	$ 10,312,940	$ 9,963,947	$ 10,351,489
$ 7,878,074	$ 6,963,941	$ 6,815,763	$ 6,828,038	$ 7,590,263	$ 4,353,624

Metropolitan Tulsa Transit Authority
(A Component Unit of the City of Tulsa, Oklahoma)

Required Supplementary Information (Unaudited)
Schedule of Net Pension Liability and Related Ratio
Union Employees' Pension Plan

	June 30,			
	2024	2023	2022	2021
Total pension liability—end of year	**$ 16,549,394**	$ 16,452,780	$ 15,515,366	$ 15,128,615
Plan net position—end of year	**12,314,230**	11,513,631	10,741,400	12,719,452
Net pension liability	**$ 4,235,164**	$ 4,939,149	$ 4,773,966	$ 2,409,163
Plan net position as a percentage of the total pension liability	**74.41%**	69.98%	69.23%	84.08%
Covered payroll	**$ 6,391,216**	$ 5,622,136	$ 5,450,182	$ 4,913,251
Net pension liability as a percentage of covered payroll	**66.27%**	87.85%	87.59%	49.03%

See note to required supplementary information.

June 30,					
2020	2019	2018	2017	2016	2015
$ 18,164,218	$ 17,694,996	$ 17,267,563	$ 17,140,978	$ 17,554,210	$ 14,705,113
10,286,144	10,731,055	10,451,800	10,312,940	9,963,947	10,351,489
$ 7,878,074	$ 6,963,941	$ 6,815,763	$ 6,828,038	$ 7,590,263	$ 4,353,624
56.63%	60.64%	60.53%	60.17%	56.76%	70.39%
$ 4,267,182	$ 4,309,219	$ 4,038,237	$ 3,180,653	$ 2,863,557	$ 3,174,496
184.62%	161.61%	168.78%	214.67%	265.06%	137.14%

Metropolitan Tulsa Transit Authority
(A Component Unit of the City of Tulsa, Oklahoma)

Required Supplementary Information (Unaudited)
Schedule of Money-Weighted Rate of Return
Union Employees' Pension Plan

Plan year ended June 30:	
2015	1.70%
2016	0.70
2017	9.57
2018	5.38
2019	6.66
2020	(2.21)
2021	25.00
2022	(14.59)
2023	8.39
2024	**9.29**

See note to required supplementary information.

Metropolitan Tulsa Transit Authority
(A Component Unit of the City of Tulsa, Oklahoma)

Required Supplementary Information (Unaudited)
Schedule of Contributions From the Authority
Union Employees' Pension Plan

Plan Year Ended June 30	Annual Required Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contributions as a Percent of Covered Payroll	
2015	$ 486,470	$ 285,705	$ 200,765	$ 3,174,496	9.00%	
2016	436,582	285,705	150,877	2,863,557	9.98	
2017	499,725	310,926	188,799	3,180,653	9.78	
2018	694,344	383,632	310,712	4,038,237	9.50	
2019	704,233	403,824	300,409	4,309,219	9.37	*
2020	698,141	523,337	174,804	4,267,182	12.26	
2021	690,882	538,316	152,566	4,913,251	10.96	
2022	688,184	570,391	117,793	5,450,182	10.47	
2023	648,733	608,181	40,552	5,622,136	10.82	
2024	**594,685**	**695,798**	**(101,113)**	**6,391,216**	**10.89**	

* An amendment to the employer contribution rates was executed in August 2019 to retroactively increase employer contribution rates as of January 1, 2019. As the retroactive amendment was not executed until August 2019, the increase is not reflected for the year ended June 30, 2019, but was in the next fiscal year.

See note to required supplementary information.

Metropolitan Tulsa Transit Authority
(A Component Unit of the City of Tulsa, Oklahoma)

Required Supplementary Information (Unaudited)
Note to Required Supplementary Information
Union Employees' Pension Plan

Actuarial valuation:	
Frequency	Annual
Cost method	Entry Age Normal
Amortization	The amortization method used is Level Percentage of Payroll, Closed The weighted average remaining period is 20 years.
Assumptions:	
Single discount rate:	6.50%
Long-term expected rate of return	6.50%
Price inflation	2.50%
Wage inflation	3.00%
Salary increases	3.00%
Retirement age	20% assumed at Rule of 85; 100% retirement assumed at Normal Retirement Age
Mortality	Pub - 2010 Below Median Employee Mortality Table for males and females Post retirement was Pub-2010 Below Median Healthy Annuitant Mortality Tables for males and females. The MP-2020 projection scale was used
Disability	Not applicable to the MP-2014 projection scale

Changes of assumptions:
The 2019 single discount rate decreased from 4.75% as of June 30, 2018 to 4.64% as of June 30, 2019.

The 2021 single discount rate increased from 4.64% as of June 30, 2020 to 7.00% as of June 30, 2021.

The 2023 single discount rate decreased to 6.50%. The other assumption changes also included updated mortality table, retirement rates, termination rates, and salary increased rates.

Metropolitan Tulsa Transit Authority
(A Component Unit of the City of Tulsa, Oklahoma)

Supplemental Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Federal Grantor/Program Title	Project Number	Federal Assistance Listing Number	Program or Award Amount	Unexpended Balance at June 30, 2023
U.S Department of Transportation (Direct)				
	OK-2017-025-00	20.526	$ 645,986	$ 1,822
	OK-2017-026-00	20.526	642,193	109,349
	OK-2020-022-00	20.507	19,669,217	599,315
	OK-2018-007-00	20.526	873,706	47,738
	OK-2020-030-00	20.507	6,500,000	6,456,600
	OK-2017-009-00	20.507	6,614,777	309,351
	OK-2018-011-00	20.507	6,776,061	44,685
	OK-2021-021-00	20.526	2,991,000	106,730
	OK-2021-028-00	20.526	3,175,604	2,386,468
	OK-2022-034-00	20.507	6,713,377	930,936
	OK-2022-031-00	20.526	2,365,863	2,187,558
	OK-2022-032-00	20.507	13,902,436	8,551,238
	1527-2022-4	20.526	1,469,664	-
	OK-2024-036-00	20.507	7,989,430	-
			$ 80,329,314	$ 21,731,790

Grant Amendments/ During Awarded Current Year	Other Income and Matching	Current Year Expenditures Federal	Current Year Expenditures Federal and Local	Unexpended Balance at June 30, 2024	Provided to Subrecipients
$ -	$ 1,457	$ 1,822	$ 3,279	$ -	$ -
-	17,669	73,311	90,980	36,038	-
-	-	436,389	436,389	162,926	-
-	-	-	-	47,738	-
-	60,483	241,931	302,414	6,214,669	241,931
-	39,440	162,553	201,993	146,798	-
-	-	-	-	44,685	-
-	367,500	-	367,500	106,730	-
-	357,858	454,633	812,491	1,931,835	-
-	-	484,857	484,857	446,079	-
-	821,635	2,158,468	2,980,103	29,090	-
-	4,715,813	8,041,522	12,757,335	509,716	-
1,469,664	568,724	607,725	1,176,449	861,939	-
7,989,430	34,288	162,334	196,622	7,827,096	-
$ 9,459,094	$ 6,984,867	$ 12,825,545	$ 19,810,412	$ 18,365,339	$ 241,931

Metropolitan Tulsa Transit Authority
(A Component Unit of the City of Tulsa, Oklahoma)

Schedule of Operating Expenses, Excluding Depreciation
Supplementary Information
Year Ended June 30, 2024

Labor:	
Operator salaries and wages	$ 5,300,301
Transportation administration	822,828
System security	430,436
Rideshare Salaries and Wages	1,652,724
Servicing of revenue vehicles	361,304
Maintenance administration	384,329
Maintenance and inspection of revenue vehicles	1,134,558
Service development	581,834
General office administration	908,695
Safety and training administration	250,891
Facility Maintenance Union	27,281
Total labor	11,855,181
Materials and supplies consumed:	
Diesel fuel	93,634
Compressed natural gas	449,999
Electric fuel	211,090
Gasoline service	184,971
Oil and lubricants	167,577
Tires and tubes	179,925
Shop and garage building repair	953,556
Service and shop equipment	44,620
Other shop and garage expense	83,707
Repair parts for revenue vehicles	1,204,370
Servicing supplies	689,653
Transportation and safety	8,860
Schedules	9,652
Tickets and transfers	52,580
General office expenses	128,024
Total materials and supplies consumed	4,462,218

(Continued)

Metropolitan Tulsa Transit Authority
(A Component Unit of the City of Tulsa, Oklahoma)

Schedule of Operating Expenses, Excluding Depreciation (Continued)
Supplementary Information
Year Ended June 30, 2024

Fringes:	
FICA taxes	$ 1,017,893
Pension plan and OPEB expenses	649,888
Health and dental expense	1,504,199
Life and disability insurance	236,476
Sick leave	387,873
Holiday pay	539,136
Vacation pay	138,763
Uniform allowance—drivers	57,749
Work clothing and tool allowance, mechanics	28,891
Unemployment tax, state	30,480
Other	216,321
Total fringes	4,807,669
Services:	
Legal fees	73,363
Audit and other outside services	43,400
Office equipment maintenance	17,721
Advertising	269,763
Professional and technical services	266,359
Building, vehicle and facility services	275,694
Security services	2,275
Total services	948,575
Insurance, property and liability insurance (including self-insurance)	728,717
Utilities:	
Heat, power and water	413,507
Communications	212,222
Total utilities	625,729

(Continued)

Metropolitan Tulsa Transit Authority
(A Component Unit of the City of Tulsa, Oklahoma)

Schedule of Operating Expenses, Excluding Depreciation (Continued)
Supplementary Information
Year Ended June 30, 2024

Other:	
Planning expense	$ 405,864
Dues and subscriptions	55,931
Travel and meetings, staff	95,422
Marketing and advertising	250,079
Training	20,665
Other miscellaneous expenses	42,582
Leases and rentals	41,392
Total other	911,935
Total operating expenses, excluding depreciation	$ 24,340,024

Metropolitan Tulsa Transit Authority
(A Component Unit of the City of Tulsa, Oklahoma)

Schedule of Project Costs
Supplementary Information
Year Ended June 30, 2024

Total operating expenses:	
Labor	$ 11,855,181
Materials and supplies consumed	4,462,218
Fringes	4,807,669
Services	948,575
Insurance	728,717
Utilities	625,729
Other	911,935
Total operating expenses, excluding depreciation	24,340,024
Depreciation	4,494,797
Total operating expenses	28,834,821
Less exclusions:	
Ineligible expense, depreciation	4,494,797
Contra-expense, interest earned on working capital	(123,922)
Other exclusions, expenses reimbursable by:	
Planning assistance, FTA	734,994
Revolving transit funds, Oklahoma	1,666,114
Operating assistance, FTA	4,036,396
Preventative maintenance assistance, FTA	3,776,317
Lease assistance, FTA	126,520
Total exclusions	14,711,216
Eligible operating expenses	14,123,605
Less:	
Passenger farebox revenues	1,590,067
Contract services and other	21,574
	1,611,641
Net eligible project cost	12,511,964
Less local share of operating assistance:	
City of Tulsa	11,834,308
Advertising revenues	677,811
Other	591,288
	13,103,407
Net revenues (expenses) before applying FTA operating funds	$ (591,443)