

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

**FINANCIAL REPORT**  
June 30, 2014 and 2013

**TULSA PARKING AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**INDEX**  
**June 30, 2014 and 2013**

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## Independent Auditor's Report

Board of Trustees  
Tulsa Parking Authority  
Tulsa, Oklahoma

### Report on the Financial Statements

We have audited the accompanying financial statements of the Tulsa Parking Authority (the "Authority"), a component unit of the City of Tulsa, Oklahoma, as of and for the years ended June 30, 2014 and 2013, 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 opinions.

## **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, 2014 and 2013, 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 Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 6 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by 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.

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying other statistical information, as listed in the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

*McGladrey LLP*

Kansas City, Missouri  
October 29, 2014

**TULSA PARKING AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Years Ended June 30, 2014 and 2013**

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As management of the Tulsa Parking Authority (the "Authority"), a component unit of the City of Tulsa, Oklahoma (the "City"), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal years ended June 30, 2014 and 2013. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements, which begin on page 7. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

**Financial Highlights**

- The assets and deferred outflows of resources of the Authority exceeded liabilities at the close of the most recent year by \$17,277 (net position). Of this amount, \$1,841 represents unrestricted net position, which may be used to meet the Authority's ongoing obligations.
- The Authority's net position increased from \$15,927 at June 30, 2013 to \$17,277 at June 30, 2014. The Authority's net position increased \$1,350 and \$846, for the years ended June 30, 2014 and 2013, respectively.
- The Authority's total liabilities decreased by \$1,853 and \$497 at June 30, 2014 and 2013, respectively.

**Overview of the Financial Statements**

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

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

**TULSA PARKING AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS, continued**  
**Years Ended June 30, 2014 and 2013**

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**Required Financial Statements**

The financial statements of the Authority report information about the Authority using accounting methods similar to those used by private sector companies. These statements offer short- and long-term financial information about its activities. The Statement of Net Position includes all of the Authority's assets, liabilities and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating. It also provides the basis for assessing the liquidity and financial flexibility of the Authority. All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position. This statement measures the financial success of the Authority's operations over the past year and can be used to determine whether the Authority has successfully recovered all its costs through user fees and other charges, profitability, and credit worthiness. The third required financial statement is the Statement of Cash Flows. The primary purpose of this statement is to provide information about the Authority's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and changes in cash resulting from operations, investing, and financing activities. The cash flow statement provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the period.

**Net Position**

The Authority's net position increased 8.5% from \$15,927 at June 30, 2013 to \$17,277 at June 30, 2014. Net position increased 5.6% from \$15,081 at June 30, 2012 to \$15,927 at June 30, 2013. The following provides a summary of net position:

**SUMMARY OF NET POSITION**

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Current and other	\$ 7,010	\$ 6,879	\$ 5,842
Capital assets, net	<u>26,838</u>	<u>27,362</u>	<u>27,932</u>
Total assets	<u>33,848</u>	<u>34,241</u>	<u>33,774</u>
Total deferred outflows of resources	<u>673</u>	<u>783</u>	<u>901</u>
Current liabilities	2,110	2,140	847
Noncurrent liabilities	<u>15,134</u>	<u>16,957</u>	<u>18,747</u>
Total liabilities	<u>17,244</u>	<u>19,097</u>	<u>19,594</u>
Net investment in capital assets	13,546	12,630	11,994
Restricted	1,890	1,812	1,399
Unrestricted	<u>1,841</u>	<u>1,485</u>	<u>1,688</u>
Total net position	<u>\$ 17,277</u>	<u>\$ 15,927</u>	<u>\$ 15,081</u>

**TULSA PARKING AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS, continued**  
**Years Ended June 30, 2014 and 2013**

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In 2014, total assets experienced a net decrease of \$393 or 1.2%. Capital asset purchases of \$600 were offset by the \$1,124 annual provision for depreciation. Total liabilities decreased \$1,853 or 9.7% primarily due to the \$1,675 scheduled principal payment on revenue bonds.

In 2013, total assets increased by \$467 or 1.4%. Other assets increased \$882 due to receiving securities within the forward delivery agreement. Capital assets declined \$570 due to asset purchases offset by the annual provision for depreciation. Total liabilities decreased \$497 or 2.5%. Accounts payable declined \$609 due to timing of invoice payments. Interest payable on revenue bonds increased \$245 due to timing of bond payments in 2012.

**SUMMARY OF CHANGES IN NET POSITION**

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Operating revenues	\$ 6,199	\$ 6,394	\$ 6,102
Capital contributions	20	28	2,625
Investment (loss) income	<u>22</u>	<u>(2)</u>	<u>2</u>
Total revenues	<u>6,241</u>	<u>6,420</u>	<u>8,729</u>
Depreciation expense	1,124	1,083	901
Other operating expense	3,277	3,967	3,603
Nonoperating expense	<u>490</u>	<u>524</u>	<u>1,134</u>
Total expenses	<u>4,891</u>	<u>5,574</u>	<u>5,638</u>
Change in net position	1,350	846	3,091
Net position, beginning of year	<u>15,927</u>	<u>15,081</u>	<u>11,990</u>
Net position, end of year	<u>\$ 17,277</u>	<u>\$ 15,927</u>	<u>\$ 15,081</u>

In 2014, the Authority's operating revenues decreased \$195 or 3.0%. A \$350 decrease in monthly parking fees was offset by \$57 and \$42 increases in special event revenue and daily use fees, respectively. Other operating expense decreased \$690 primarily due to \$714 less spent on repairs and maintenance on the parking facilities than the prior year. Revenues exceeded expenses resulting in an increase in net position of \$1,349.

In 2013, the Authority's operating revenues increased \$292 or 4.8% primarily due to \$323 increased monthly revenues from the North Garage expansion. Other operating expenses increased \$364 or 10.1%. Repairs and maintenance on the parking facilities exceeded the prior year by \$260 and contracting services increased \$89 from the prior year. Revenues exceeded expenses resulting in an increase in net position of \$846.

In 2014, tax increment financing revenue from the Tulsa Development Authority declined \$8 due to fewer capital asset purchases eligible for reimbursement.

**TULSA PARKING AUTHORITY**  
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**MANAGEMENT'S DISCUSSION AND ANALYSIS, continued**  
**Years Ended June 30, 2014 and 2013**

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In 2013, transfers of sales tax revenue from the City of Tulsa and tax increment financing revenue from the Tulsa Development Authority were not repeated due to the completion in 2012 of construction spending eligible for reimbursement.

In 2014, nonoperating expense decreased \$34 or 6.5% primarily due to decreased interest expense.

In 2013, nonoperating expense decreased \$610 or 53.8% primarily due to decreased interest expense and no current year bond issuance costs related to the prior year refunding of bonds.

**Capital Assets**

The Authority's investment in capital assets as of June 30, 2014 amounts to \$26,838 (net of accumulated depreciation). At June 30, 2013 the Authority's investment in capital assets was \$27,362 (net of accumulated depreciation).

**CAPITAL ASSETS, NET OF ACCUMULATED DEPRECIATION**

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Land	\$ 7,230	\$ 7,230	\$ 7,230
Construction in progress	206	258	5,791
Land improvements	637	20	-
Buildings	48,844	48,809	42,913
Equipment	924	924	794
	<u>57,841</u>	<u>57,241</u>	<u>56,728</u>
Less accumulated depreciation	<u>(31,003)</u>	<u>(29,879)</u>	<u>(28,796)</u>
Capital assets, net	<u>\$ 26,838</u>	<u>\$ 27,362</u>	<u>\$ 27,932</u>

**Debt**

At June 30, 2014 and 2013 the Authority had outstanding revenue bond debt of \$16,185 and \$17,860, respectively. The bonds issued in 2012 refunded all other revenue bonds. Principal payments began on the debt in 2014 and will continue until the bonds are paid in full in 2029.

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

**Requests for Information**

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



**TULSA PARKING AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**STATEMENTS OF NET POSITION**  
**June 30, 2014 and 2013**

<u>ASSETS</u>	<u>2014</u>	<u>2013</u>
	<u>(In Thousands)</u>	
Current assets:		
Cash and cash equivalents	\$ 1,870	\$ 1,369
Accounts receivable	45	29
Investments	1,002	1,517
Interest receivable	2	5
Prepaid expense	350	286
	<u>3,269</u>	<u>3,206</u>
Total unrestricted current assets		
Restricted		
Cash and cash equivalents	1,061	160
Accounts receivable, net	58	30
Investments	-	1,000
Other assets	1,015	882
	<u>2,134</u>	<u>2,072</u>
Total restricted current assets		
Total current assets	<u>5,403</u>	<u>5,278</u>
Noncurrent assets:		
Cash and cash equivalents, restricted	105	100
Investments	500	506
Investments, restricted	1,002	995
Nondepreciable capital assets	7,436	7,488
Depreciable capital assets, net	19,402	19,874
	<u>28,445</u>	<u>28,963</u>
Total noncurrent assets		
Total assets	<u>\$ 33,848</u>	<u>\$ 34,241</u>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>		
Deferred charge on refunding	673	783
Total deferred outflows of resources	<u>\$ 673</u>	<u>\$ 783</u>

(Continued)

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

**TULSA PARKING AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**STATEMENTS OF NET POSITION, Continued**  
**June 30, 2014 and 2013**

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<u>LIABILITIES</u>	<u>2014</u>	<u>2013</u>
	(In Thousands)	
Current liabilities:		
Accounts payable	\$ 44	\$ 155
Unearned revenue	59	49
	<hr/>	<hr/>
Total current liabilities payable from unrestricted assets	103	204
	<hr/>	<hr/>
Liabilities payable from restricted assets:		
Accounts payable	48	-
Interest payable on revenue bonds	244	261
Current portion of revenue bonds	1,715	1,675
	<hr/>	<hr/>
Total current liabilities payable from restricted assets	2,007	1,936
	<hr/>	<hr/>
Total current liabilities	2,110	2,140
	<hr/>	<hr/>
Noncurrent liabilities:		
Payable from restricted assets:		
Deposits subject to refund	4	4
Revenue bonds payable	14,470	16,185
Unamortized premium	660	768
	<hr/>	<hr/>
Total noncurrent liabilities	15,134	16,957
	<hr/>	<hr/>
Total liabilities	17,244	19,097
	<hr/>	<hr/>
<u>NET POSITION</u>		
Net investment in capital assets	13,546	12,630
Restricted for:		
Debt service	1,890	1,812
Unrestricted	1,841	1,485
	<hr/>	<hr/>
Total net position	\$ 17,277	\$ 15,927
	<hr/>	<hr/>

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

**TULSA PARKING AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**Years Ended June 30, 2014 and 2013**

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	<u>2014</u>	<u>2013</u>
	(In Thousands)	
Operating revenues:		
Parking facilities income	\$ 6,032	\$ 6,240
Rental income	167	154
	<u>6,199</u>	<u>6,394</u>
Operating expenses:		
Contracting services	2,928	2,817
General and administrative	231	318
Repairs and maintenance	118	832
Depreciation	1,124	1,083
	<u>4,401</u>	<u>5,050</u>
Operating income	<u>1,798</u>	<u>1,344</u>
Nonoperating revenues (expenses):		
Investment (loss) income	22	(2)
Interest and amortization expense	(490)	(524)
	<u>(468)</u>	<u>(526)</u>
Income before contributions	<u>1,330</u>	<u>818</u>
Capital contributions		
Contributions	-	10
Payments from Tulsa Development Authority	20	18
	<u>20</u>	<u>28</u>
Change in net position	1,350	846
Net position, beginning of year	<u>15,927</u>	<u>15,081</u>
Net position, end of year	<u>\$ 17,277</u>	<u>\$ 15,927</u>

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

**TULSA PARKING AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**STATEMENTS OF CASH FLOWS**  
**Years Ended June 30, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
	(In Thousands)	
Cash flows from operating activities:		
Cash received from customers, including cash deposits	\$ 6,165	\$ 6,505
Cash payments to suppliers for goods and services	(3,206)	(3,814)
Cash payments for quasi-external operating transactions	<u>(150)</u>	<u>(200)</u>
Net cash provided by operating activities	<u>2,809</u>	<u>2,491</u>
Cash flows from noncapital financing activities:		
Principal paid on revenue bonds	(355)	-
Interest paid on revenue bonds	(105)	(56)
Payment for forward delivery agreement	(1,462)	(1,793)
Receipts from forward delivery agreement	<u>1,329</u>	<u>911</u>
Net cash used by noncapital financing activities	<u>(593)</u>	<u>(938)</u>
Cash flows from capital and related financing activities:		
Payments from Tulsa Development Authority	20	18
Payments from other capital contributions	-	10
Principal paid on revenue bonds	(1,320)	-
Interest paid on revenue bonds	(400)	(221)
Acquisition and construction of capital assets	<u>(648)</u>	<u>(1,038)</u>
Net cash used by capital and related financing activities	<u>(2,348)</u>	<u>(1,231)</u>
Cash flows from investing activities:		
Investment income received	14	9
Purchase of investments	(999)	(4,033)
Sale or maturity of investments	<u>2,524</u>	<u>-</u>
Net cash (used) provided by investing activities	<u>1,539</u>	<u>(4,024)</u>
Net change in cash and cash equivalents	1,407	(3,702)
Cash and cash equivalents, beginning of year	<u>1,629</u>	<u>5,331</u>
Cash and cash equivalents, end of year	<u>\$ 3,036</u>	<u>\$ 1,629</u>

(Continued)

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

**TULSA PARKING AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**STATEMENTS OF CASH FLOWS, Continued**  
**Years Ended June 30, 2014 and 2013**

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	<u>2014</u>	<u>2013</u>
	(In Thousands)	
Reconciliation of cash and cash equivalents to the Statements of Net Position:		
Current unrestricted cash and cash equivalents	\$ 1,870	\$ 1,369
Current restricted cash and cash equivalents	1,061	160
Restricted cash and cash equivalents	<u>105</u>	<u>100</u>
 Total cash and cash equivalents	 <u>\$ 3,036</u>	 <u>\$ 1,629</u>
 Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 1,798	\$ 1,344
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	1,124	1,083
Decrease (increase) in accounts receivable	(44)	160
Decrease in prepaid expense	(64)	7
Decrease in accounts payable and deposits	(15)	(85)
(Decrease) increase in unearned revenue	<u>10</u>	<u>(18)</u>
 Net cash provided by operating activities	 <u>\$ 2,809</u>	 <u>\$ 2,491</u>
 Noncash capital and investing activities:		
Purchase of capital assets in accounts payable and accrued liabilities	\$ 25	\$ 74
Increase (decrease) in fair value of investments	\$ 11	\$ (15)

**TULSA PARKING AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**NOTES TO FINANCIAL STATEMENTS (In thousands of dollars)**  
**June 30, 2014 and 2013**

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

**NATURE OF BUSINESS** - Tulsa Parking Authority (the “Authority”) was formed by the City of Tulsa, Oklahoma (“the City”) in 1963 to develop and operate parking facilities for the benefit of the residents of the City and for the purpose of providing parking facilities to the general public. Trustees include the Mayor of the City or his appointee and four additional trustees appointed by the Mayor.

**REPORTING ENTITY** - The Authority is a component unit of the City and is included in the City’s Comprehensive Annual Financial Report as a discretely presented component unit.

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

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

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

For purposes of reporting cash flows, the Authority considers all highly liquid debt instruments with an original maturity of three months or less when purchased, and any cash held by the City’s internal pool, to be cash equivalents.

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

**TULSA PARKING AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**NOTES TO FINANCIAL STATEMENTS (In thousands of dollars), continued**  
**June 30, 2014 and 2013**

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

The Authority follows the provisions of GASB Statement No. 31, "Certain Investments and External Investment Pools," which requires governmental entities to report investments at fair value in the statement of net position. The Authority experienced increases in the fair value of investments of approximately \$11 for the year ended June 30, 2014 and a decrease of approximately \$15 for the year ended June 30, 2013. Realized gains and losses as well as changes in fair value of investments are reported in investment income or loss in the Statement of Revenues, Expenses, and Changes in Net Position.

**OTHER ASSETS** – Other Assets on the Statements of Net Position are related to the Forward Delivery Agreement. The agreement requires the counterparty to collateralize the amounts in the contract with appropriate securities to be held by a trustee.

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

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

Land Improvements	25 years	\$5
Buildings	30 years	\$5
Equipment	5-15 years	\$5

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

**BOND PREMIUMS** - Premiums are amortized over the life of the revenue bonds using the effective interest method.

**NET POSITION** – Net position of the Authority represents the difference between assets, liabilities and deferred inflows/outflows. Net investment in capital assets, consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of borrowings used to finance the purchase or construction of those assets. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors or, laws or regulations of other governments. When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the Authority first applies restricted resources. Unrestricted net position is assets and deferred outflows less liabilities and deferred inflows that do not meet the definition of net investment in capital assets or restricted.

**TULSA PARKING AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**NOTES TO FINANCIAL STATEMENTS (In thousands of dollars), continued**  
**June 30, 2014 and 2013**

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

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

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

**USE OF ESTIMATES** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and other changes in net position during the reporting period. Actual results could differ from those estimates.

**2. CASH DEPOSITS AND INVESTMENTS**

**POOLED CASH AND INVESTMENTS** – A portion of the cash deposits of the Authority are maintained within the City's pooled cash and investments portfolio. Pooled cash and investments consist primarily of time deposits and other securities guaranteed by the U.S. government or its agencies and are recorded at fair value. At June 30, 2014 and 2013, pooled cash and investments amounted to \$513 and \$130, respectively. The amount pooled with the City at June 30, 2014 is represented by investments which were insured or registered or securities held by the City or its agent in the City's name.

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



**TULSA PARKING AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**NOTES TO FINANCIAL STATEMENTS (In thousands of dollars), continued**  
**June 30, 2014 and 2013**

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

For the years ended, the Authority had the following non-pooled investments.

Type	Fair Value	Maturities in Years	
		Less than 1	1-5
U.S. agency obligations	\$ 1,505	\$ 503	\$ 1,002
U.S. Treasury securities	999	499	500
Money market mutual funds	2,424	2,424	-
	<u>\$ 4,928</u>	<u>\$ 3,426</u>	<u>\$ 1,502</u>

Type	Fair Value	Maturities in Years	
		Less than 1	1-5
U.S. agency obligations	\$ 2,518	\$ 1,017	\$ 1,501
U.S. Treasury securities	1,500	1,500	-
Money market mutual funds	1,449	1,449	-
	<u>\$ 5,467</u>	<u>\$ 3,966</u>	<u>\$ 1,501</u>

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

Pooled investments – In accordance with the City’s investment policy, the City manages its interest rate risk by limiting the weighted average maturity of its investment portfolio to three years or less. No security, at the time of purchase, shall have a maturity exceeding five years. The weighted average maturity of the City’s pooled investment portfolio is 2.31 years.

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

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

Pooled investments – The City’s investment policy prohibits purchasing any investments rated below AA at the time of purchase. As of June 30, 2014 and 2013, the U.S. agencies obligations included in the City’s pooled investment portfolio were rated Aaa and AA+ by Moody’s and Standard & Poor’s, respectively.

**TULSA PARKING AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**NOTES TO FINANCIAL STATEMENTS (In thousands of dollars), continued**  
**June 30, 2014 and 2013**

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

Non-pooled investments – At June 30, 2014, the Authority’s investments in U. S. agencies obligations not directly guaranteed by the U. S. government were rated AA+ and Aaa by Standard & Poor’s and Moody’s Investors Service, respectively. The Authority’s money market mutual funds were rated AA+ and Aaa by Standard & Poor’s and Moody’s Investment Services, respectively.

**Custodial Credit Risk** – For deposits with financial institutions, custodial credit risk is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party.

Pooled deposits and investments – The City’s investment policy requires that demand deposits be collateralized at least by 110% of the amount that is not federally insured. Securities pledged as collateral are held by a third party. Joint custody safekeeping receipts are held in the name of the depository institution, but pledged to the City. The securities cannot be released, substituted or sold without the City’s approval and release of the security. Certificates of deposit are, according to the City’s investment policy, to be collateralized at least by 102% of the amount that is not federally insured. As of June 30, 2014 and 2013, none of the deposits in the pooled portfolio were exposed to custodial credit risk. All safekeeping receipts for investment instruments are held in accounts in the City’s name and all securities are registered in the City’s name. Therefore, none of the Authority’s pooled investments as of June 30, 2014 and 2013 were exposed to custodial credit risk.

Non-pooled deposits and investments – The Authority’s deposit policy for custodial credit risk requires compliance with provisions of state law and that demand deposits be collateralized at least 110% of the amount that is not federally insured. As of June 30, 2014 and 2013, the Authority’s bank balances of deposits with financial institutions of \$99 and \$50, respectively, were not exposed to custodial credit risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. All of the underlying securities for the Authority’s investments in U.S. agency obligations at June 30, 2014 and 2013 are insured or are registered securities held by the Authority or by its agent in the Authority’s name.

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

Pooled investments – At June 30, 2014, the City’s investments in Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation and Federal National Mortgage Association constituted approximately 19%, 18%, 19%, and 18%, respectively, of its total pooled investment portfolio. At June 30, 2013, the City’s investments in Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation and Federal National Mortgage Association constituted approximately 18%, 22%, 19%, and 22%, respectively, of its total pooled investment portfolio.

**TULSA PARKING AUTHORITY**  
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**NOTES TO FINANCIAL STATEMENTS (In thousands of dollars), continued**  
**June 30, 2014 and 2013**

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

Non-pooled investments – At June 30, 2014 the Authority’s investments in money market mutual funds, U.S. Treasury Notes, Federal Home Loan Banks and Federal National Mortgage Association constituted approximately 49%, 20%, 10% and 21% of its total investments, respectively. At June 30, 2013 the Authority’s investments in money market mutual funds, U.S. Treasury Notes, Federal Home Loan Banks, Federal National Mortgage Association and Federal Home Loan Mortgage Corporation constituted approximately 27%, 27%, 19%, 18% and 9% of its total investments, respectively.

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

	<u>2014</u>	<u>2013</u>
Pooled cash and investments	\$ 513	\$ 130
Non-pooled cash	99	50
Non-pooled investments	<u>4,928</u>	<u>5,467</u>
	<u>\$ 5,540</u>	<u>\$ 5,647</u>
Current cash and cash equivalents	\$ 1,870	\$ 1,369
Current investments	1,002	1,517
Current cash and cash equivalents, restricted	1,061	160
Current investments, restricted	-	1,000
Noncurrent cash and cash equivalents, restricted	105	100
Noncurrent investments	500	506
Noncurrent investments, restricted	<u>1,002</u>	<u>995</u>
	<u>\$ 5,540</u>	<u>\$ 5,647</u>

**TULSA PARKING AUTHORITY**  
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**NOTES TO FINANCIAL STATEMENTS (In thousands of dollars), continued**  
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**3. CAPITAL ASSETS**

The changes in capital assets during the years ended June 30, 2014 and 2013 are summarized as follows:

<b>June 30, 2014</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>
Nondepreciable capital assets:				
Land	\$ 7,230	\$ -	\$ -	\$ 7,230
Construction in progress	258	600	652	206
Total nondepreciable capital assets	<u>7,488</u>	<u>600</u>	<u>652</u>	<u>7,436</u>
Depreciable capital assets:				
Land improvements	20	617	-	637
Buildings	48,809	35	-	48,844
Equipment	924	-	-	924
Total depreciable capital assets	<u>49,753</u>	<u>652</u>	<u>-</u>	<u>50,405</u>
Less accumulated depreciation:				
Land improvements	-	(13)	-	(13)
Buildings	(29,338)	(1,027)	-	(30,365)
Equipment	(541)	(84)	-	(625)
Total accumulated depreciation	<u>(29,879)</u>	<u>(1,124)</u>	<u>-</u>	<u>(31,003)</u>
Total depreciable capital assets, net	<u>19,874</u>	<u>(472)</u>	<u>-</u>	<u>19,402</u>
Capital assets, net	<u>\$ 27,362</u>	<u>\$ 128</u>	<u>\$ 652</u>	<u>\$ 26,838</u>
<b>June 30, 2013</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>
Nondepreciable capital assets:				
Land	\$ 7,230	\$ -	\$ -	\$ 7,230
Construction in progress	5,791	493	6,026	258
Total nondepreciable capital assets	<u>13,021</u>	<u>493</u>	<u>6,026</u>	<u>7,488</u>
Depreciable capital assets:				
Land improvements	-	20	-	20
Buildings	42,913	5,896	-	48,809
Equipment	794	130	-	924
Total depreciable capital assets	<u>43,707</u>	<u>6,046</u>	<u>-</u>	<u>49,753</u>
Less accumulated depreciation:				
Buildings	(28,332)	(1,006)	-	(29,338)
Equipment	(464)	(77)	-	(541)
Total accumulated depreciation	<u>(28,796)</u>	<u>(1,083)</u>	<u>-</u>	<u>(29,879)</u>
Total depreciable capital assets, net	<u>14,911</u>	<u>4,963</u>	<u>-</u>	<u>19,874</u>
Capital assets, net	<u>\$ 27,932</u>	<u>\$ 5,456</u>	<u>\$ 6,026</u>	<u>\$ 27,362</u>

**TULSA PARKING AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**NOTES TO FINANCIAL STATEMENTS (In thousands of dollars), continued**  
**June 30, 2014 and 2013**

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**4. PARKING REVENUE BONDS**

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

Bond activity during the year ended June 30, 2014 is as follows:

<u>Bonds, Series and Maturity Dates</u>	<u>Issue Amount</u>	<u>Interest Rate</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Refunding Series 2012, 2028	\$ 17,860	2.0% - 4.0%	\$ 17,860	-	1,675	\$ 16,185	\$ 1,715
			<u>\$ 17,860</u>	<u>\$ -</u>	<u>\$ 1,675</u>	<u>\$ 16,185</u>	<u>\$ 1,715</u>

Bond activity during the year ended June 30, 2013 is as follows:

<u>Bonds, Series and Maturity Dates</u>	<u>Issue Amount</u>	<u>Interest Rate</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Refunding Series 2012, 2028	17,860	2.0% - 4.0%	\$ 17,860	\$ -	\$ -	\$ 17,860	\$ 1,675
			<u>\$ 17,860</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,860</u>	<u>\$ 1,675</u>

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

**TULSA PARKING AUTHORITY**  
**(A Component Unit of the City of Tulsa, Oklahoma)**  
**NOTES TO FINANCIAL STATEMENTS (In thousands of dollars), continued**  
**June 30, 2014 and 2013**

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**4. PARKING REVENUE BONDS, continued**

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

**DEFEASED DEBT – Series 2003 and 2004 Parking Revenue Bonds**– The Authority has placed the proceeds of refunding bonds in irrevocable escrow accounts held and managed by bank trustees, and invested in U.S. Treasury obligations, the principal and interest on which would provide amounts sufficient to pay the principal and interest on the defeased bonds in accordance with the schedule of remaining payments due. Accordingly, the escrow accounts and the defeased bonds are not included in the Authority’s financial statements. The defeased bonds outstanding, of \$9,420 and \$2,805, are considered extinguished for the Series 2003 and 2004 Parking Revenue Bonds, respectively, at June 30, 2013. The Series 2003 and 2004 Parking Revenue Bonds were called for full redemption on July 1, 2013.

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

	Series 2012	
	<u>Principal</u>	<u>Interest</u>
2015	\$ 1,715	\$ 471
2016	1,750	436
2017	1,790	392
2018	1,855	337
2019	1,910	281
2020-2024	3,245	952
2025-2029	<u>3,920</u>	<u>354</u>
	<u>\$ 16,185</u>	<u>\$ 3,223</u>

**TULSA PARKING AUTHORITY**  
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**NOTES TO FINANCIAL STATEMENTS (In thousands of dollars), continued**  
**June 30, 2014 and 2013**

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**4. PARKING REVENUE BONDS, continued**

**DEBT SERVICE FORWARD DELIVERY AGREEMENT** - In 1995, the Authority entered into a Debt Service Forward Delivery Agreement (the "Agreement") with Bank One, as trustee for the Authority, and Wachovia Bank, National Association ("Wachovia"). The Authority entered into this agreement in order to lessen the Authority's exposure to declining interest rates associated with the Authority's investment of cash balances. Under the terms of the Agreement, the Authority received a fee of \$275. This fee was recognized as interest income over the life of the original agreement. In 2002, in conjunction with the refunding of the Series 1985 Bonds, the Agreement was amended and extended through the life of the Series 2002 Bonds. In 2012, in conjunction with the refunding of the Series 2002 Bonds the Agreement was amended. The amendment allowed for the Agreement to continue for the same period of time and amount even though the bonds were refunded. Unless terminated earlier, the agreement continues through July 1, 2018.

In consideration of the monthly debt service deposit, Wachovia will deliver qualified securities as collateral to the Trustee on the stated delivery dates. The Trustee, from the funds provided by the debt service deposit, will purchase the securities for an amount equal to the maturity amount. The maturity amount is the amount payable in cash, representing principal and interest due based on the original maturity date of the 2002 bonds that were defeased. At delivery of the securities to the Trustee, the delivery notice specifies the maturity amount (amount paid by the Trustee) and the market value of the securities and any difference (the differential). The Trustee holds these securities until the next bond payment, which at that time, the securities mature and the proceeds are used to make principal and interest payments on the outstanding Series 2012 bonds. In terms of credit risk, the monthly debt service funds deposited with Wachovia are 100% collateralized by acceptable securities. The collateral could be liquidated by the Trustee should Wachovia fail to fulfill the Agreement. As of June 30, 2014 and 2013, the value of the collateral is \$1,015 and \$882, respectively, and is reported as other assets on the Statement of Net Position.

**5. PARKING REVENUES PLEDGED**

The Authority has pledged future gross revenues derived from the operations of the parking facilities to repay \$17,860 in revenue bonds issued. Proceeds from the bonds provided financing for various parking facilities and debt refundings. The bonds are payable solely from gross revenues and are payable through July 2028. Principal payments were \$1,675 and \$0 in 2014 and 2013, respectively. Interest paid for 2014 and 2013 was \$505 and 277, respectively. Annual principal and interest payments on the bonds required 35% and 4% of gross revenues in 2014 and 2013. Total gross revenues were \$6,220 and \$6,394 in 2014 and 2013. The total principal and interest remaining to be paid on the bonds is \$19,408.

**TULSA PARKING AUTHORITY**  
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**NOTES TO FINANCIAL STATEMENTS (In thousands of dollars), continued**  
**June 30, 2014 and 2013**

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**6. PARKING FACILITY LEASES**

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

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

The operating leases are:

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

Underground Lot Lease – Includes the area underneath the Civic Center complex containing approximately 515 spaces. The lease also includes metered parking on the street level of the complex. Revenues derived from both areas are assigned to the Authority.

**7. OPERATING AGREEMENTS**

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

100 West Facility- Operated by American Parking, Inc. (“American”). Under this agreement, the Authority incurred costs of \$522 and \$504 for the years ended June 30, 2014 and 2013, respectively.

Main Street Parking Facility and retail areas- Operated by American. Under this agreement, the Authority incurred costs of \$647 and \$562 for the years ended June 30, 2014 and 2013, respectively.

Civic Center Parking Facilities- Operated by American. Under this agreement the Authority incurred costs of \$597 and \$634 for the years ended June 30, 2014 and 2013, respectively.



**TULSA PARKING AUTHORITY**  
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**NOTES TO FINANCIAL STATEMENTS (In thousands of dollars), continued**  
**June 30, 2014 and 2013**

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**7. OPERATING AGREEMENTS, continued**

North and South Parking Facilities- Operated by Central Parking Systems, Inc. (“Central”). Under this agreement, the Authority incurred costs of \$1,154 and \$1,047 for the years ended June 30, 2014 and 2013, respectively.

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

**8. GENERAL LITIGATION**

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

**9. RISK MANAGEMENT**

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

**10. COMMITMENTS**

As of June 30, 2014, the Authority had open commitments primarily for construction related projects of approximately \$80.

**11. RELATED PARTY TRANSACTIONS**

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

	<u>2014</u>	<u>2013</u>
Payments to City of Tulsa - General Fund for support services	\$ 150	\$ 200
Payments from Tulsa Performing Arts Center Trust for management of a parking lot	\$ 5	\$ 5
Payments from Tulsa Development Authority (tax increment financing district) for capital improvements	\$ 20	\$ 18

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

**TULSA PARKING AUTHORITY**  
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**OTHER STATISTICAL INFORMATION (Unaudited)**  
**Year Ended June 30, 2014**

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**PARKING SYSTEM** – The system’s parking facilities currently provide 6,306 parking spaces. The facilities and spaces are as follows:

- Main Street Parking Facility (1,167 spaces)
- Civic Center Parking Facility (1,395 spaces)
- Underground Parking Facility (515 spaces)
- Metered Spaces adjacent to the Civic Center (238 spaces)
- South Garage (759 spaces)
- North Garage (1,098 spaces)
- 100 West Facility (1,191 spaces)

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

<u>Year</u>	<u>Gross<sup>1</sup> Revenue</u>	<u>Direct Operating Expenses</u>	<u>Available for Debt Service</u>	<u>Principal<sup>2</sup></u>	<u>Debt Service Interest</u>	<u>Total</u>	<u>Coverage</u>
2014	\$ 6,221	\$ 3,277	\$ 2,944	\$ 1,675	\$ 505	\$ 2,180	1.35
2013	6,394	3,966	2,428	-	277	277	8.78
2012	6,103	3,438	2,666	1,420	1,245	2,665	1.00
2011	5,860	3,580	2,281	1,375	905	2,280	1.00
2010	5,760	2,834	2,926	1,330	951	2,281	1.28
2009	5,839	2,655	3,184	1,280	997	2,277	1.40
2008	5,280	2,343	2,937	1,235	1,042	2,277	1.29
2007	5,458	2,201	3,257	1,195	1,083	2,278	1.43
2006	5,233	2,921	2,312	1,130	1,124	2,254	1.03
2005	4,912	2,355	2,557	515	1,093	1,608	1.59

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

**Note 2-** In 2013 no principal payments were due based on the repayment schedule of the 2012 Refunding bonds.

