

**TULSA DEVELOPMENT AUTHORITY  
BUDGET FISCAL YEAR 2019**

<b>TDA OPERATING FUND</b>		<b>FY19</b>	<b>4/12</b>	<b>Year to date</b>	
		<b>APPROVED BUDGET</b>	<b>Mo/Yr APPROVED BUDGET</b>	<b>Actuals through October</b>	
<b>Operating revenues:</b>					
439108	Property Rentals	-	-	42	100%
494101	Gain/(Loss) on sale of land for resale	10,000	3,333	5,523	166%
	<b>Total operating revenues</b>	<u>10,000</u>	<u>3,333</u>	<u>5,565</u>	167%
<b>Operating expenses:</b>					
511101	Salaries and wages	273,212	91,071	76,289	84%
512101	Social security - employer	37,971	12,657	6,147	49%
512102	Workers compensation	2,382	794	901	113%
512201	Retirement fund contributions	11,623	3,874	3,514	91%
512301	Group hospitalization insurance	45,876	15,292	12,433	81%
513101	Independent employment services	10,000	3,333	15,055	452%
	<b>Total salaries and wages</b>	<u>381,064</u>	<u>127,021</u>	<u>114,339</u>	90%
531101	Advertising	2,500	833	298	36%
531105	Other services	520,000	173,333	6,623	4%
531107	Mailing and postage	500	167	338	203%
531305	Vegetative control	200,000	66,667	80,450	121%
531501	Legal services	260,000	86,667	39,726	46%
531502	Auditing services	25,500	8,500	-	0%
531503	Consulting services	60,000	20,000	11,003	55%
531601	Empl Food & Mtg Expense	500	167	-	0%
531608	Other fees	29,500	9,833	7,875	80%
531901	General liability and property insurance	4,500	1,500	1,721	115%
532101	Travel	7,000	2,333	1,439	62%
532106	Membership fees	3,000	1,000	-	0%
535108	Stormwater internal billing	1,000	333	-	0%
	<b>Total other services</b>	<u>1,114,000</u>	<u>371,333</u>	<u>149,473</u>	40%
	<b>Total operating expenses</b>	<u>1,495,064</u>	<u>498,355</u>	<u>263,812</u>	53%
<b>Other income:</b>					
471101	Interest income	40,000	13,333	18,959	142%
471201	Interest income other	50,000	16,667	22,650	136%
498101	Miscellaneous income	-	-	1,775	100%
		<u>90,000</u>	<u>30,000</u>	<u>43,384</u>	145%
	<b>Income (loss)</b>	<u>\$ (1,395,064)</u>	<u>\$ (465,021)</u>	<u>\$ (214,862)</u>	46%
				(214,863)	
			ULD	0.80	

**TULSA DEVELOPMENT AUTHORITY  
BUDGET FISCAL YEAR 2019**

<b>LANSING BUSINESS &amp; DEVELOPMENT FUND</b>	<b>FY19</b>	<b>4/12</b>		
	<b>APPROVED BUDGET</b>	<b>Mo/Yr APPROVED BUDGET</b>	<b>October Actual</b>	
<b>Operating revenues:</b>				
Property Rentals	48,540	16,180	15,555	96%
<b>Total operating revenues</b>	<u>48,540</u>	<u>16,180</u>	<u>15,555</u>	96%
<b>Operating expenses:</b>				
Office supplies	4,500	1,500	1,004	67%
Reference materials	500	167	-	0%
Computer supplies	2,000	667	-	0%
Other repair parts and supplies	500	167	-	0%
<b>Total materials and supplies</b>	<u>7,500</u>	<u>2,500</u>	<u>1,004</u>	40%
Advertising	500	167	-	0%
Other services	25,000	8,333	19,556	235%
Vegetative control	13,000	4,333	3,350	77%
HVAC Repair	5,000	1,667	-	0%
Alarm Maintenance	500	167	-	0%
Electrical utilities	4,500	1,500	1,672	111%
Gas utilities	2,500	833	65	8%
Telephone	4,500	1,500	1,868	125%
General liability and property insurance	3,000	1,000	-	0%
Sewer	500	167	99	60%
Water	500	167	72	43%
Refuse	1,000	333	245	74%
Stormwater internal billing	1,850	617	675	109%
<b>Total other services</b>	<u>62,350</u>	<u>20,783</u>	<u>27,603</u>	133%
<b>Total operating expenses</b>	<u>69,850</u>	<u>23,283</u>	<u>28,606</u>	123%
IT equipment	10,000	3,333	462	14%
<b>Total capital outlay</b>	<u>10,000</u>	<u>3,333</u>	<u>462</u>	14%
<b>Total operating expense and capital outlay</b>	<u>79,850</u>	<u>26,617</u>	<u>29,068</u>	109%
<b>Other income:</b>				
Interest income	2,000	667	718	108%
	<u>2,000</u>	<u>667</u>	<u>718</u>	108%
<b>Other expenses:</b>				
Depreciation	15,086	5,029	5,029	100%
<b>Income (loss)</b>	<u>\$ (44,396)</u>	<u>\$ (11,465)</u>	<u>\$ (17,824)</u>	155%



Fund	Fund Name	Vendor	Vendor Name	Inv Date	Invoice Number	Check Number	Check Date	Invoice Amt		
711	Lansing Center	2210	JEFFREY KUNZ	10/01/2018	147888	1055336	10/30/2018	175.00		
711	Lansing Center	2576	PEAK METHODS INC	08/31/2018	53265	212901	10/29/2018	2,426.50		
711	Lansing Center	2576	PEAK METHODS INC	09/18/2018	53311	212459	10/11/2018	37.99		
711	Lansing Center	2576	PEAK METHODS INC	10/01/2018	53376	212816	10/25/2018	150.00		
711	Lansing Center	2576	PEAK METHODS INC	09/30/2018	53395	212816	10/25/2018	187.50		
711	Lansing Center	1138	COMPLETE	09/28/2018	50	1054831	10/23/2018	800.00		
711	Lansing Center	1138	COMPLETE	09/28/2018	52	1054831	10/23/2018	250.00		
711	Lansing Center	1560	COX COMMUNICATION	10/12/2018	0016311062246101	1055186	10/29/2018	126.94		
711	Lansing Center	1565	PUBLIC SERVICE	09/27/2018	950-217-041-0-01	1054069	10/11/2018	104.74		
711	Lansing Center	1565	PUBLIC SERVICE	09/27/2018	952-407-041-3-0	1054069	10/11/2018	225.93		
711	Lansing Center	1162	OKLAHOMA NATURAL	09/18/2018	211633945104383909	1053706	10/04/2018	21.79		
711	Lansing Center	986	ADVANCE ALARMS INC	10/01/2018	1666133	1054822	10/23/2018	35.00		
711	Lansing Center	1537	AT&T	09/27/2018	91859249442269	1054282	10/16/2018	314.85		
711	Lansing Center	2209	NEXTEL	09/27/2018	717753316-202	212397	10/09/2018	155.53		
									12,796.02	
712	Rehab Fund	1138	COMPLETE	09/07/2018	53	1054151	10/15/2018	200.00		
712	Rehab Fund	1138	COMPLETE	10/17/2018	63	1055325	10/30/2018	200.00		
712	Rehab Fund	1414	CITY OF TULSA -	10/03/2018	104567094	1054828	10/23/2018	77.33		
									477.33	
715	Sales Tax Fund	3601	PRICE FAMILY PARKING	10/15/2018	ADVANCE #2	1054580	10/18/2018	117,089.94		
715	Sales Tax Fund	3601	PRICE FAMILY PARKING	09/26/2018	PRICE ADVANCE	1053738	10/04/2018	945,883.02		
									1,062,972.96	
719	Operating Fund	2243	SATTCOOM LLC	10/15/2018	Flats on Archer-#10	1055223	10/29/2018	34,875.00		
									34,875.00	
721	Brady Village TIF	1060	WALLACE ENGINEERING	09/11/2018	181816	212300	10/04/2018	2,720.00		
721	Brady Village TIF	1060	WALLACE ENGINEERING	10/10/2018	182503	212697	10/22/2018	950.00		
									3,670.00	
723	North Peoria TIF	1107	D W GATES	07/17/2018	20	212774	10/25/2018	1,040.00		
723	North Peoria TIF	781	THIRD GENERATION	08/20/2018	DRAW#6	212405	10/09/2018	116,300.00		
									117,340.00	
724	Blue Dome TIF	681	CROSSLAND HEAVY	08/31/2018	33257EST#13	212321	10/08/2018	54,256.66		
									54,256.66	
726	1996 Sales Tax Fund	3577	403 CHEYENNE LLC	10/15/2018	2	1055174	10/29/2018	23,667.00		
									23,667.00	
									1,453,033.11	
Total Report									1,453,033.11	1,453,033.11

**Tulsa Development Authority**  
**Description of Funds and Pooled Cash Account Balances at November 28, 2018**

**Operating Funds**

Fund Number	Fund Description	Pooled Cash and Investments	Purpose	Sources of Funds	Uses of Funds
710/719	TDA - Operating Fund	3,062,509.44	To record activities of miscellaneous projects operated by TDA including land sales not grant related	Land sales, fees for services and interest earnings	Staff salaries and general operating expenses

**Program Income Funds**

Fund Number	Fund Description	Pooled Cash and Investments	Purpose	Sources of Funds	Uses of Funds
712	TDA - Rehab Loan and Grant Fund	273,396.65	To record all the activity of loans issued under the auspices of the Model Cities Program	Model Cities Grant and loan repayment as well as interest earnings	

**Building Funds**

Fund Number	Fund Description	Pooled Cash and Investments	Purpose	Sources of Funds	Uses of Funds
711	TDA - Lansing Business and Development	115,631.46	To record all activities in connection with construction and operation of the Lansing Business Development Center	Rental income and interest earnings	Construction and operation of a small business development center

**HUD Grants**

Fund Number	Fund Description	Pooled Cash and Investments	Purpose	Sources of Funds	Uses of Funds
716	CDBG-TDA	98,325.05	To account for TDA's Community Development Block Funds	Grant moneys	City council approved projects including all related grant land activity

**Tax Increment Funds**

Fund Number	Fund Description	Pooled Cash and Investments	Purpose	Sources of Funds	Uses of Funds
720	Central Park Tax Increment Fund District #2	1,603,525.13	Implementation of TIF District plan	Sales tax and ad valorem revenue	Implementation of activities as outlined in the plan
721	Brady Village Tax Increment Fund District #1	3,417,414.10	To account for the development of the area known as the Brady District	Sales tax and ad valorem revenue	Capital project expenditures and administrative costs
722	Tulsa Technology Tax District #3	378,851.98	To assist and account for the repairs of the Williams Center North Garage	Sales tax and ad valorem revenue	Capital project expenditures and administrative costs
723	North Peoria Tax Increment Fund District #4	4,320,535.41	To account for public infrastructure improvements to the area known as the North Peoria Avenue District	Sales tax and ad valorem revenue	Capital project expenditures and administrative costs
724	Blue Dome Tax Increment Fund District #5	61,169.51	To account for the development of the area known as the Blue Dome District	Sales tax and ad valorem revenue	Capital project expenditures and administrative costs

**Joint Venture Funds**

Fund Number	Fund Description	Pooled Cash and Investments	Purpose	Sources of Funds	Uses of Funds
713	Tulsa Uptown Redevelopment Corporation	2,193.94	To record TDA's joint venture with American Residential in the development of the Renaissance Apartments	1996 Sales Tax	Downtown Housing
714/726	Tribune Building Redepment Corporation	1,085,549.84	To record TDA's joint venture with American Residential in the development of the Tribune Building	1996 Sales Tax	Downtown Housing

**Other TDA Funds**

Fund Number	Fund Description	Pooled Cash and Investments	Purpose	Sources of Funds	Uses of Funds
715	TDA - Sales Tax Projects	1,049,489.44	To account for TDA sales tax projects approved by ordinance	Reimbursements from City Sales Tax funds	Implementation of activities as outlined in ordinance



THOMAS JOT HARTLEY  
TRAVIS J. HARTLEY · DANIEL T. GIRALDI  
ANDREW R. MELOY · JESSE MUTH

177 W. DELAWARE  
P.O. BOX 553  
VINITA, OK 74301  
(918) 256-2100 PHONE  
hlf@hartleylawfirm.com

November 1, 2018

RSM US LLP  
4801 Main Street, Ste. 400  
Kansas City, MO 64112

**RE: Tulsa Development Authority Litigation**

Ladies and Gentlemen:

The Tulsa Development Authority has requested that I furnish you with information involving matters which this law firm has been engaged in on behalf of the Authority. Following is my response to the Authority's request:

**PENDING OR THREATENED LITIGATION:**

This law firm represents the Tulsa Development Authority ("TDA") in all matters. Following is a summary of litigation threatened or pending:

1. **Apine Roofing, LLC v. MGT Const. Management, East End Villiage, LLC, Larson Development, TDA, and others, CJ-15-1898 & East End Villiage, LLC v. MGT Const. Management, Inc. et al., CJ-15-2215:**
  - (a) Lawsuit to foreclose subcontractor lien on East End Village "EEV" project. Contractor MGT Construction has filed a cross claim against EEV and EEV has countered against MGT. Defendant FE-NIX Construction Group, LLC "FE-NIX" was granted permission and has filed an Amended Counterclaim and Cross-Claim in which TDA was included in. Defendant's Ark Wrecking and Prestige Builders have filed Motions to Amend Counterclaims and Cross-Claims.
  - (b) Counsel has filed Answer, Counterclaim and Cross-Petition in defense of TDA mortgage lien position asserting priority over FE-

NIX's claims. Pretrial Conference held on September 7, 2017 at which claims of Alpine Roofing were dismissed by the court. Trial date stricken to be reset by Judge Cantrell and parties ordered to submit claims to mediation. Ruling on pending motions is currently on hold.

- (c) TDA is contesting the case as to the effect, if any, upon TDA's first mortgage lien position. Case remains pending to date. MGT Construction has filed for bankruptcy protection. Lien claimants have sought to join the parent company of MGT Construction.
- (d) Favorable outcome is likely. Plaintiff is asking for a judgment in the amount of \$146,499.50. TDA has a first mortgage lien that is superior to Plaintiff's lien.

2. **Novus Homes (Wilkins) v TDA CJ-2008-5713:**

- (a) Plaintiff asserting a claim against TDA for damages due to TDA's termination of negotiations for a redevelopment contract pertaining to land owned by TDA in the Brady District. Parties are currently in arbitration of the "dispute".
- (b) Counsel for TDA filed Respondent's Motions for Summary Judgment and Partial Summary Judgment. Arbitrator, Joe Hampton, sustained the Motion for Summary Judgment on all claims asserted thereby rendering the Motion for Partial Summary Judgment as moot. Claimants filed a Motion for New Trial, due to the arbitrator's ruling/findings of the Motion for Summary Judgment, which was overruled.
- (c) Summary Judgment granted to TDA. TDA's Motion to Enter Judgment in the District Court case in favor of TDA has been granted. Order Confirming Arbitration Award and Entering Judgment **denying** all claims and requests for damages against TDA was filed. Plaintiffs have filed an Appeal which is still pending.
- (d) Unfavorable outcome is unlikely.

3. **TDA v Carland Group, LLC; Cherokee Meadows, LP; Carland Properties, LLC and Omega Alpha Development, LLC, CJ-17-4487:**

- (a) Breach of Contract lawsuit. TDA entered into a contract for sale of land for private redevelopment with Albertson's Inc. December 22,

2000. On November 13, 2008 TDA then entered into a contract with Omega Alpha Development, LLC, the partial assignee of Albertson's Inc. Both contracts were amended but required Defendants to submit proposed redevelopment plans to TDA for examination and approval. TDA approved the plans. Carland Group assigned its interest in the property to Cherokee Meadows without prior notice and consent of TDA. Carland Group and Cherokee Meadows installed "integral curbing" which was not in conformity with the approved plans therefore breaching the contracts.

- (b) TDA has filed suit to force the developer to reconstruct the driveways.
- (c) Mediation was held and a settlement has been reached. TDA has approved revised driveway plans and a settlement agreement is being drafted for signature.
- (d) Favorable outcome is likely.

**5. Vanessa Hall-Harper, et al. v. TDA, CV-17-1049:**

- (a) Case filed by Tulsa City Counselor Vanessa Hall-Harper in her individual capacity and others alleging violation of the Open Meeting Act.
- (b) Defendant TDA has rejected the Plaintiff's settlement offer.
- (c) Case remains pending
- (d) Favorable outcome is likely.

**6. UCAT v. TDA, CV-18-127:**

- (a) Action for declaratory judgment filed by UCAT seeing to determine that UCAT is not in default under the terms and conditions of the 1986 Redevelopment Contract with TDA for land located North of the IDL.
- (b) TDA has filed an Entry of Appearance and filed an Answer.
- (c) A settlement agreement was reached at mediation. A written settlement agreement has been approved and executed by all



parties. Case is pending until deeds are exchanged pursuant to the written settlement agreement and an Order Dismissing is finalized by the parties and approved by the Court.

(d) Favorable outcome is ikely.

7. **East End Villagem LLC v. MGT Construction Management, Inc. et al, CJ-15-2212:**

(a) This case has been consolidated with the Alpine Roofing case listed above.

(d) Unfavorable outcome is unlikely.

8. **Novus Homes (Wilkins) v. TDA, CV-16-998:**

(a) Case filed by Wilkins seeking declaratory judgment that TDA violated open meeting act with regard to issuance of Block 44 Contract for Sale of Land for Private Redevelopment.

(b) TDA obtained a ruling that a previous Order entered I the case dealt only with the denial of summary judgment sought by TDA and did not constitute a finding that TDA had violated the Open Meeting Act. Plaintiff's Motion for Attorney's Fees denied.

(c) Plaintiff's have filed a Motion for Partial Summary Judgment that remains pending.

(d) Unfavorable outcome is unlikely.

**UNASSERTED CLAIMS AND ASSESSMENTS:**

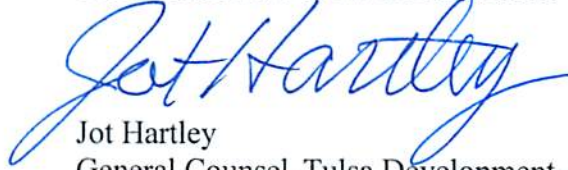
I am not aware of any un-asserted claims or assessments.

**OTHER MATTERS:**

The amount due to this law firm for services and expenses as of June 30, 2018, is \$34,948.84.

Very truly yours,

THE HARTLEY LAW FIRM, PLLC



Jot Hartley

General Counsel, Tulsa Development Authority

TJH/jl

cc: Mr. O.C. Walker, II, Executive Director  
Tulsa Development Authority  
P.O. Box 480980  
Tulsa, OK 74714-0980