



Oklahoma City Public Property Authority

A blended component unit of The City of Oklahoma City, Oklahoma
Annual Financial Report | for the Fiscal Year ended June 30, 2021

THE OKLAHOMA CITY PUBLIC PROPERTY AUTHORITY

A Blended Component Unit of
Oklahoma City, Oklahoma

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Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2021

Prepared by The Oklahoma City Finance Department, Accounting Services Division
Alex Fedak, CPA, Controller

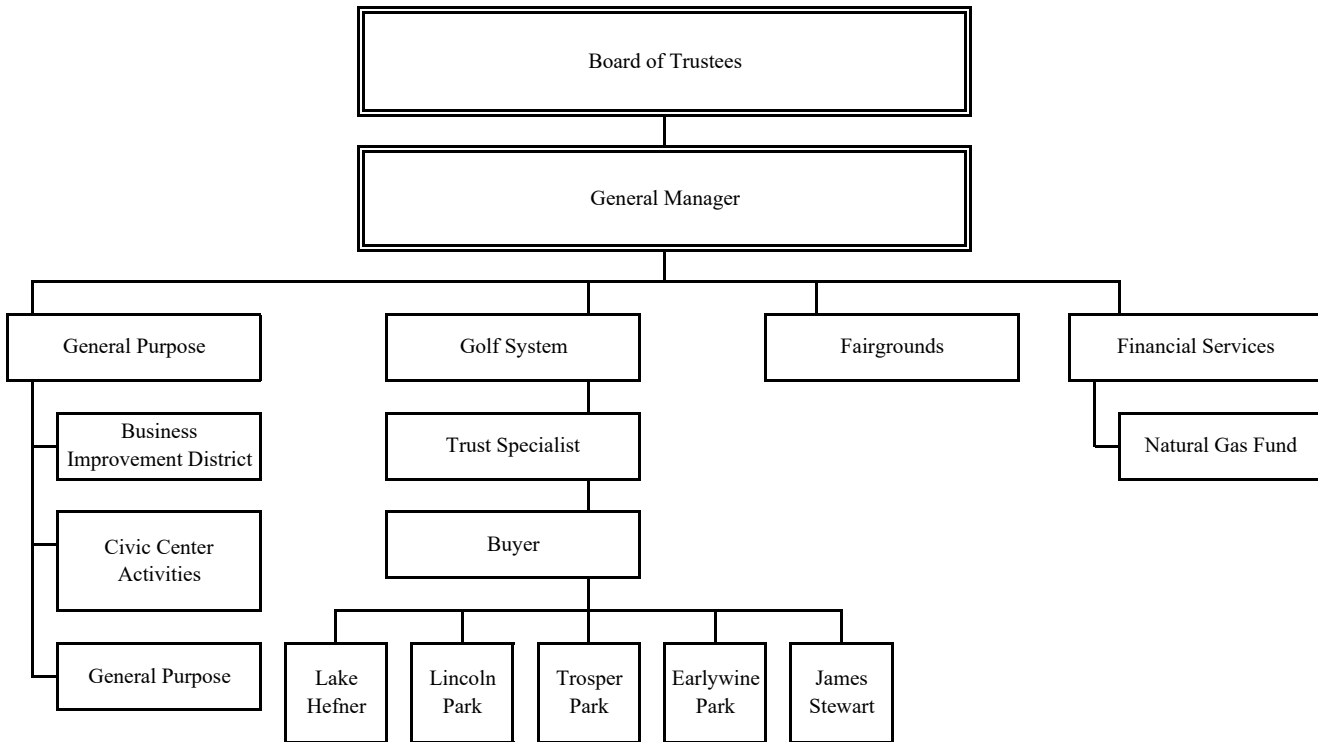
THE OKLAHOMA CITY PUBLIC PROPERTY AUTHORITY

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Oklahoma City Public Property Authority Organization Chart



Introductory Section



The City of
OKLAHOMA CITY

November 23, 2021

The Board of Trustees
Oklahoma City Public Property Authority

The Oklahoma City Public Property Authority (Authority) annual financial report (Annual Report) provides a comprehensive overview of the Authority's financial position and the results of operations during the past fiscal year. It complies with reporting requirements specified by Oklahoma State Statutes. The Oklahoma City Finance Department, Accounting Services Division, prepared this report in compliance with accounting principles generally accepted in the United States of America (U.S. GAAP). It is fairly stated in all material respects. Responsibility for the accuracy of the reported information and the completeness and fairness of the presentation, including disclosures, rests with the Authority.

The Authority's annual report includes the independent auditor's reports, management's discussion and analysis (MD&A), Authority-wide, fund, and combining financial statements, related notes, and required supplementary information. Management's narrative on the financial activities of the Authority for the fiscal years ended June 30, 2021 and 2020, is in the MD&A section of this report, immediately following the independent auditor's report on financial statements and supplementary information. The Authority's reporting entity is comprised of financial and operating activities conducted within the legal framework of the Authority. Only funds within that framework are included. The Authority is a blended component unit of the City of Oklahoma City (City) and, as such, is included within the funds of the City's Annual Comprehensive Financial Report (ACFR).

The Authority, a public trust, was created and exists by trust indenture dated August 15, 1961, pursuant to the provisions of Title 60, Section 176 to 180 of the Oklahoma Statutes 1951, and the Oklahoma Trust Act. The property is held and administered by the Authority for the use and benefit of the City under the terms of the trust indenture. The City's Mayor and Council serve as the Authority's Trustees and the City Manager is the General Manager.

Services and activities of the Authority provided on behalf of the City include financing and operation of five municipal golf courses, the Oklahoma City Fairgrounds, Prairie Surf Studios, Paycom Center, Civic Center Music Hall, and other City buildings. The Authority uses City hotel/motel tax collections to fund debt service on bonds issued for fairgrounds improvements.

In January 1966 the Golf Commission was created by the Authority to establish plans and recommend policies for the operation, maintenance, and construction of the golf courses and related facilities and activities.

The Authority uses fees collected by the City to provide improvements and special services for property owners in City business improvement districts. Property owners are assessed fees to fund these services. There are currently five business improvement districts in the City including Downtown, Stockyards, Western Avenue, Capitol Hill, and Adventure.

Dr. Russell Evans, Executive Director of the Steven C. Agee Economic Research & Policy Institute of Oklahoma City University, provides an annual economic outlook to City leaders in February. This year's forecast was marked by hope that Oklahoma City and the state could exit from the economic effects of the pandemic and get past the bottom of the current energy cycle. The forecast was that both of those factors would provide support for the economy in 2021 and a return to growth and pre-pandemic levels of economic activity in 2022. His baseline expectations were that economic activity holds steady through some challenging months early in the calendar year. From there the expectation was for a slow transition to pre-pandemic levels of activity. The unprecedented levels of fiscal stimulus led to a significant growth in per-capita personal income in Oklahoma City. A return to pre-pandemic per capita income of \$48,567 was projected. The forecast for nonfarm employment in Oklahoma City was for 3.2% growth in the number of people employed. Dr. Evans' forecast sales tax growth of 4.1% for fiscal year 2022.

In August 2021, Dr. Evans provided a mid-year update that took into account the continuing fiscal stimulus provided by the federal government. With gross domestic product (GDP) growing at 6.4% in the first quarter of the year and 6.5% in the second quarter, the U.S. economic expansion continues unabated and many economic forecasters are expecting continued strong growth through the remainder of 2021. At the state level Dr. Evans projects employment to return to pre-pandemic levels by 2022 and for Oklahoma City that is expected to occur by late 2021. While there is uncertainty about the underlying strength of the economy, Dr. Evans updated models project sales tax growth of up to 6.1% for fiscal year 2022.

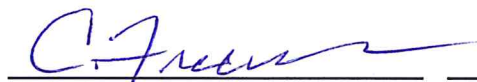
Going forward, Oklahoma City has a number of factors in its favor for continued economic growth. The cost of living and the cost of doing business are consistently rated among the best in the country. In addition, low commuting times, convenient airline travel, and excellent entertainment and sports opportunities make Oklahoma City a great place for businesses and residents. Oklahoma City has dedicated a significant portion of the CARES Act funds the City received to supporting small businesses and even carved out a portion for live performance venues in an effort to support local businesses and continued quality of life.

Oklahoma City is being recognized more and more as a great place to work, live and visit. As evidence, Zippia.com, a career-advice website, recently set out to find the best cities to start a career and Oklahoma City came in at number 9. The website looked at factors such as median income, rent and unemployment rate in more than 200 cities. According to recent analysis by SmartAsset.com, Oklahoma City ranked in the top 25 most livable cities in the U.S., taking into account a variety of factors like unemployment rate, crime, housing costs and more among the 100 largest cities in the nation. Thrillist.com, an online media website, named Oklahoma City as among "underappreciated cities you should totally move to".

The Authority participates in the City's comprehensive accounting and budgetary system. Interim financial statements provide Authority management and other interested readers with regular financial analyses. Additionally, the Authority's management maintains budgetary controls to ensure effective financial oversight.

By City Council resolution, public trusts of which the City is the beneficiary are encouraged to use the independent auditors competitively selected by the City. In compliance with that resolution, the Authority engaged AGH, L.C. to conduct its annual audit. The Authority acknowledges the professional and competent services of its independent auditors.

Respectfully submitted,



Craig Freeman
City of Oklahoma City,
General Manager



Brent Bryant
City of Oklahoma City,
Finance Director



Alex Fedak, CPA
City of Oklahoma City,
Controller

Financial Section

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Oklahoma City Public Property Authority
Oklahoma City, Oklahoma

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Oklahoma City Public Property Authority (Authority), a blended component unit of the City of Oklahoma City, Oklahoma (City), as of and for the years ended June 30, 2021 and 2020, and the related notes to 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 opinions on these financial statements based on our audits. We did not audit the financial statements of The Operations of the Downtown Convention Center (Center), which represent 2.82% and 9.65% of total assets, 1.77% and 10.17% of net position and fund balance, and 2.65% and 2.64% of revenues of the fiscal year 2021 governmental activities and general purpose fund financial statements, respectively. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for the Center, is based solely on the report of the other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements for The Combined Operations of the Prairie Surf Studios and the Paycom Center and the Center, which are reported within the Oklahoma City Public Property Authority's governmental activities and general purpose fund financial statements, were not audited in accordance with *Government Auditing Standards*.

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.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Authority as of June 30, 2021 and 2020, and the respective

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

Supplementary and Other Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The combining financial statements and introductory section as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining financial statements are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit 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 auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 23, 2021 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.

Allen, Gibbs & Houlik, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

November 23, 2021
Wichita, KS

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the Oklahoma City Public Property Authority (Authority) annual financial report, the Authority's management provides narrative discussion and analysis of the financial activities of the Authority for the fiscal years ended June 30, 2021 and 2020. The Authority's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section. Additional information is available in the transmittal letter which precedes this discussion and analysis. The Authority is a blended component unit of the City of Oklahoma City.

Financial Summary

- Authority assets and deferred outflows exceeded liabilities and deferred inflows by \$61,100,660 (net position) for 2021. This compares to 2020 when assets and deferred outflows exceeded liabilities and deferred inflows by \$59,284,555.
- Total assets for the Authority decreased by \$3,317,118 to \$165,265,289 during fiscal year 2021 and decreased by \$7,042,294 to \$168,582,407 during fiscal year 2020.
- Total liabilities for the Authority decreased by \$4,366,906 to \$103,766,849 during fiscal year 2021 and decreased by \$3,154,069 to \$108,133,755 during fiscal year 2020.
- Total net position is comprised of the following:
 - (1) Net investment in capital assets of \$43,861,281 and \$46,713,305 for 2021 and 2020, respectively, include property and equipment, net of accumulated depreciation and reduced for outstanding debt related to the purchase or construction of capital assets.
 - (2) Net position of \$6,429,329 and \$6,024,800 for 2021 and 2020, respectively, is restricted for capital projects and debt service.
 - (3) Net position of \$457,119 and \$175,701 for 2021 and 2020, respectively, is restricted for public service.
 - (4) Net position of \$905,531 and \$1,889,120 for 2021 and 2020, respectively, is restricted for culture and recreation.
 - (5) Unrestricted net position is \$9,447,400 for 2021 and \$4,481,629 for 2020.
- The Authority's governmental fund reported total ending fund balance of \$14,816,361 in 2021. This compares to the 2020 ending fund balance of \$11,418,755, showing an increase of \$3,397,606 during 2021.

Overview of the Financial Statements

This discussion and analysis introduces the Authority's basic financial statements. The basic financial statements include: (1) Authority-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The Authority also includes additional information in this report to supplement the basic financial statements.

Authority-wide Financial Statements

The Authority's annual report includes two Authority-wide financial statements. These statements provide both long-term and short-term information about the overall status of the Authority and are presented to demonstrate the extent to which the Authority has met its operating objectives efficiently and effectively using all the resources available and whether the Authority can continue to meet its objectives in the foreseeable future. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting.

The first of these Authority-wide statements is the statement of net position. This statement presents all of the Authority's assets and liabilities, with the difference reported as net position. Increases or decreases in net position may indicate whether the financial position of the Authority, as a whole, is improving or deteriorating, identify financial strengths and weaknesses, and be used to assess liquidity.

The second Authority-wide statement is the statement of activities which reports how the Authority's net position changed during the fiscal years and can be used to assess the Authority's operating results in its entirety and analyze how the Authority's programs are financed. All revenues and expenses are included regardless of when cash is received or paid.

Both Authority-wide financial statements distinguish governmental activities from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities column includes general government functions supporting public services and culture and recreation activities, including economic development reported in the Authority's governmental fund. Business-type activities include golf courses, fairgrounds, and financial services.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. All Authority funds are reported as major funds.

Governmental Fund

The governmental fund is reported in the fund financial statements and reports public services and culture and recreation functions as reported in the Authority-wide financial statements. Fund statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements and the commitment of spendable resources for the near-term.

Since the Authority-wide financial statements focus includes the long-term view, comparisons between the two perspectives may provide useful insights. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance provide a reconciliation to assist in understanding the differences between these two perspectives.

Proprietary Funds

Proprietary funds are reported in the fund financial statements and generally report services for which the Authority charges customers a fee. The Authority reports these as enterprise funds. Enterprise funds essentially encompass the same functions reported as business-type activities in the Authority-wide financial statements. Services of enterprise funds are provided to customers external to the Authority such as public golf courses.

Proprietary fund statements provide both long-term and short-term financial information consistent with the focus provided by the Authority-wide financial statements. Individual golf course information which comprises the Golf Courses Fund is found in the combining statements in a later section of this report.

Notes to the Financial Statements

The accompanying notes to the financial statements provide information essential to gain a full understanding of the Authority-wide and fund financial statements. The notes to the financial statements begin immediately following the basic financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension and other post-employment benefits to its employees, including employees of the Authority.

Financial Analysis

Governmental activities support public services, parks, and public events, including economic development projects. The Authority contracts with ASM Global (ASM) (formerly Superior Management Group), an outside firm, for the management and operation of Prairie Surf Studios, the Paycom Center and the Oklahoma City Convention Center. Certain activities related to the downtown canal are other cultural and recreational venues administered through the Authority. The City's business improvement district service contracts are also administered through the Authority. These activities are subsidized by the City.

Business-type activities are primarily comprised of five public golf courses, fairgrounds and central financing services that receive support from the City.

The Authority's net position at June 30, 2021 is \$61,100,660. This is an increase of \$1,816,105 from the June 30, 2020 net position of \$59,284,555. Overall the Authority's financial position improved during fiscal year 2021.

Summary of Net Position

	Governmental		Business-type		Total		2021 - 2020 % Change	Governmental	Business-type	2019 Total	2020 - 2019 % Change
	Activities		Activities		2019	2019		Activities	Activities		
	2021	2020	2021	2020	2021	2020		2019	2019		
Assets											
Current assets	\$29,945,737	\$27,339,105	\$14,697,962	\$13,187,698	\$44,643,699	\$40,526,803	10.2%	\$25,558,332	\$14,181,455	\$39,739,787	2.0%
Capital assets, net	72,635,689	76,020,036	46,544,683	50,416,014	119,180,372	126,436,050	(5.7)	79,382,709	54,476,157	133,858,866	(5.5)
Other non-current assets	-	21,298	1,441,218	1,598,256	1,441,218	1,619,554	(11.0)	92,810	1,933,238	2,026,048	(20.1)
Total assets	102,581,426	103,380,439	62,683,863	65,201,968	165,265,289	168,582,407	(2.0)	105,033,851	70,590,850	175,624,701	(4.0)
Deferred outflows	-	-	2,101,308	1,081,653	2,101,308	1,081,653	94.3	-	903,684	903,684	19.7
Liabilities											
Current liabilities	14,781,105	15,320,636	6,278,934	6,074,206	21,060,039	21,394,842	(1.6)	12,257,932	6,713,392	18,971,324	12.8
Non-current liabilities	2,565,154	2,765,911	80,141,656	83,973,002	82,706,810	86,738,913	(4.6)	2,968,447	89,348,053	92,316,500	(6.0)
Total liabilities	17,346,259	18,086,547	86,420,590	90,047,208	103,766,849	108,133,755	(4.0)	15,226,379	96,061,445	111,287,824	(2.8)
Deferred inflows	-	-	2,499,088	2,245,750	2,499,088	2,245,750	11.3	-	2,541,272	2,541,272	(11.6)
Net position (deficit)											
Net investment in											
capital assets	72,635,689	76,020,036	(28,774,408)	(29,306,731)	43,861,281	46,713,305	(6.1)	79,088,919	(29,553,865)	49,535,054	(5.7)
Restricted for:											
Capital projects	2,411,705	2,146,236	-	-	2,411,705	2,146,236	12.4	2,110,678	-	2,110,678	1.7
Debt service	-	-	4,017,624	3,878,564	4,017,624	3,878,564	3.6	-	3,728,320	3,728,320	4.0
Public services	457,119	175,701	-	-	457,119	175,701	160.2	169,187	-	169,187	3.9
Culture and recreation	905,531	1,889,120	-	-	905,531	1,889,120	(52.1)	2,033,721	-	2,033,721	(7.1)
Unrestricted	8,825,123	5,062,799	622,277	(581,170)	9,447,400	4,481,629	110.8	6,404,967	(1,282,638)	5,122,329	(12.5)
Total net position (deficit)	\$85,235,167	\$85,293,892	(\$24,134,507)	(\$26,009,337)	\$61,100,660	\$59,284,555	3.1	\$89,807,472	(\$27,108,183)	\$62,699,289	(5.4)

Governmental activities current assets increased by \$2.61 million and increased by \$1.78 million in 2021 and 2020, respectively. Cash and investments increased by \$3.55 million and by \$1.67 million, respectively, for 2021 and 2020. Accounts receivable decreased by \$857 thousand in 2021 and increased by \$162 thousand in 2020 primarily related to receivables at the Paycom Center and Prairie Surf Studios.

Business-type activities current assets increased by \$1.51 million and decreased by \$994 thousand in 2021 and 2020, respectively. This was primarily due to an increase in cash balances for the golf courses due to a surge in golf business during the fiscal year. The decrease in 2020 was primarily due to a decrease in receivables from the City related to fairground capital projects of \$2 million in 2020, offset by a \$940 thousand increase in cash and investments.

Capital assets for governmental activities, net of accumulated depreciation, decreased \$3.38 million and \$3.36 million in 2021 and 2020, respectively. This is primarily related to normal depreciation of \$3.26 million and \$3.63 million in 2021 and 2020, respectively, offset by acquisitions and construction costs. Business-type activities capital assets, net of accumulated depreciation, decreased \$3.87 million in 2021 primarily related to normal depreciation of \$3.96 million, offset by acquisitions and construction costs and in 2020 it decreased \$4.06 million primarily related to normal depreciation of \$4.37 million offset by acquisitions and construction costs.

Total governmental activities liabilities decreased \$740 thousand and increased \$2.86 million in 2021 and 2020, respectively. The decrease in 2021 is primarily due to decreases in accounts payable and accrued expenses of \$141 thousand and unearned revenue of \$2.65 million offset by a increase in payable to the component units of \$2.31 million. In 2020 unearned revenue primarily related to the Paycom Center and Prairie Surf Studios increased \$3.71 million. Accounts payable and payable to the City of Oklahoma City also decreased \$642 thousand and \$241 thousand, respectively.

Total liabilities in business-type activities decreased \$3.63 million in 2021 primarily due to a \$4.92 million decrease in net bonds payable offset by a \$591 thousand increase in net pension liability and a \$543 thousand increase in net other post-employment benefit liability (OPEB). Total liabilities in business-type activities decreased \$6.01 million in 2020 primarily due to a \$4.60 million decrease in net bonds payable, a \$534 thousand decrease in actuarially determined OPEB liability and a \$607 thousand decrease in accounts payable related to the timing of payments.

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2021 and 2020

OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY

Summary of Changes in Net Position

	Governmental		Business-type		Total		2021 - 2020 % Change	Governmental	Business-type	2019 Total	2020 - 2019 % Change
	Activities		Activities					Activities	Activities		
	2021	2020	2021	2020	2021	2020		2019	2019		
Revenues											
Charges for services	\$3,521,763	\$12,448,049	\$11,510,263	\$9,310,641	\$15,032,026	\$21,758,690	(30.9%)	\$17,315,521	\$9,034,040	\$26,349,561	(17.4%)
Operating grants and contributions	19,063,411	15,473,543	7,758,716	7,805,424	26,822,127	23,278,967	15.2	9,603,902	9,648,337	19,252,239	20.9
Capital grants and contributions	-	-	-	-	-	-	0.0	1,247	-	1,247	(100.0)
General revenues	593,086	772,407	2,005	43,133	595,091	815,540	(27.0)	958,856	43,646	1,002,502	(18.6)
Total revenues	23,178,260	28,693,999	19,270,984	17,159,198	42,449,244	45,853,197	(7.4)	27,879,526	18,726,023	46,605,549	(1.6)
Expenses											
General government	-	3,289	-	-	-	3,289	(100.0)	94,183	-	94,183	(96.5)
Police	46,778	66,600	-	-	46,778	66,600	(29.8)	61,050	-	61,050	9.1
Public services	618,013	617,200	-	-	618,013	617,200	0.1	1,338,286	-	1,338,286	(53.9)
Culture and recreation	22,489,227	32,436,565	-	-	22,489,227	32,436,565	(30.7)	30,523,007	-	30,523,007	6.3
Economic development	78	169	-	-	78	169	(53.8)	198	-	198	(14.6)
Interest on long-term debt	82,889	83,756	-	-	82,889	83,756	(1.0)	84,003	-	84,003	(0.3)
Golf courses	-	-	10,278,232	8,225,060	10,278,232	8,225,060	25.0	-	8,608,767	8,608,767	(4.5)
Fairgrounds	-	-	6,437,197	7,220,052	6,437,197	7,220,052	(10.8)	-	11,038,883	11,038,883	(34.6)
Financial services	-	-	680,725	615,240	680,725	615,240	10.6	-	695,715	695,715	(11.6)
Total expenses	23,236,985	33,207,579	17,396,154	16,060,352	40,633,139	49,267,931	(17.5)	32,100,727	20,343,365	52,444,092	(6.1)
Special items	-	-	-	-	-	-	0.0	3,118,355	-	3,118,355	100.0
Changes in net position	(58,725)	(4,513,580)	1,874,830	1,098,846	1,816,105	(3,414,734)	153.2	(1,102,846)	(1,617,342)	(2,720,188)	(25.5)
Beginning net position (deficit)											
As previously reported	85,293,892	89,807,472	(26,009,337)	(27,108,183)	59,284,555	62,699,289	(5.4)	90,910,318	(25,490,841)	65,419,477	(4.2)
Ending net position (deficit)	\$85,235,167	\$85,293,892	(\$24,134,507)	(\$26,009,337)	\$61,100,660	\$59,284,555	3.1	\$89,807,472	(\$27,108,183)	\$62,699,289	(5.4)

Governmental activities charges for services decreased \$8.93 million and \$4.87 million in 2021 and 2020, respectively. The decreases in both 2021 and 2020 are primarily due to public event charges which were severely impacted by the COVID pandemic. Governmental activities operating grants and contributions increased \$3.59 million and \$5.87 million in 2021 and 2020, respectively. The increases in both 2021 and 2020 were primarily due to increased subsidies from the City for operations of the Paycom Center, Prairie Surf Studios and OKC Convention Center due to COVID. Business-type activities charges for services increased \$2.20 million and \$277 thousand in 2021 and 2020, respectively, primarily due to increases in Golf Courses Fund revenue.

Governmental expenses decreased \$9.97 million in 2021. This is primarily due to decreases of \$1.57 million in salary expenses, \$4.39 million in materials and supplies and \$3.08 million in other services and charges. Governmental expenses increased \$1.11 million in 2020. This is primarily due to an increase of \$1.8 million in the new convention center management fees.

Business-type expenses increased \$1.34 million in 2021. Golf course expenses increased \$2.05 million primarily due to increases in personal services, maintenance and operations and materials and supplies cost. Fairgrounds expenses decreased \$783 thousand primarily due to decreases in maintenance and operations and depreciations expenses. Business-type expenses decreased \$4.28 million in 2020. Golf course expenses decreased \$384 thousand primarily due to decreases in maintenance and operating costs. Fairground expenses decreased \$3.8 million primarily due to decreases in transfers to special purpose fund related to drainage projects, bond issue and insurances costs, depreciation expense and non-capital construction costs.

Governmental Fund

As discussed, the Authority governmental fund is reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. The Authority governmental fund reported an ending fund balance of \$14,816,361 for 2021, of which \$1,585,301 is unassigned. This compares to \$11,418,755 for 2020, of which \$449,411 is unassigned.

The total ending fund balance of the governmental fund for 2021 shows an increase of \$3,397,606 from the ending balance for 2020. This increase is primarily the result of the events and programs described within the analysis of the Authority's governmental activities.

Capital Assets

The Authority's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of June 30, 2021 and 2020, was \$119,180,372 and \$126,436,050, respectively.

Capital Assets, Net of Accumulated Depreciation

	Governmental		Business-type		Total		2020 - 2021	Governmental	Business-type	2019	2020 - 2019
	Activities		Activities		Total		Total	Activities	Activities		
	2021	2020	2021	2020	2021	2020	% Change	2019	2019	Total	% Change
Non-Depreciable											
Assets											
Construction in progress	\$101,752	\$101,752	\$87,069	\$3,999,518	\$188,821	\$4,101,270	(95.4%)	\$279,185	\$8,275,392	\$8,554,577	(52.1%)
Land and art	<u>9,357,815</u>	<u>9,357,815</u>	<u>2,004,837</u>	<u>2,004,837</u>	<u>11,362,652</u>	<u>11,362,652</u>	0.0	<u>9,232,985</u>	<u>2,004,837</u>	<u>11,237,822</u>	1.1
Total non-depreciable assets	<u>9,459,567</u>	<u>9,459,567</u>	<u>2,091,906</u>	<u>6,004,355</u>	<u>11,551,473</u>	<u>15,463,922</u>	(25.3)	<u>9,512,170</u>	<u>10,280,229</u>	<u>19,792,399</u>	(21.9)
Depreciable Assets											
Buildings	34,961,233	36,100,233	30,872,094	28,280,017	65,833,327	64,380,250	2.3	37,239,235	29,176,549	66,415,784	(3.1)
Improvements other than buildings	23,198,280	24,276,524	11,967,148	13,915,947	35,165,428	38,192,471	(7.9)	25,397,166	12,458,543	37,855,709	0.9
Furniture, machinery, and equipment	<u>5,016,609</u>	<u>6,183,712</u>	<u>1,613,535</u>	<u>2,215,695</u>	<u>6,630,144</u>	<u>8,399,407</u>	(21.1)	<u>7,234,138</u>	<u>2,560,836</u>	<u>9,794,974</u>	(14.2)
Total depreciable assets	<u>63,176,122</u>	<u>66,560,469</u>	<u>44,452,777</u>	<u>44,411,659</u>	<u>107,628,899</u>	<u>110,972,128</u>	(3.0)	<u>69,870,539</u>	<u>44,195,928</u>	<u>114,066,467</u>	(2.7)
Total	<u>\$72,635,689</u>	<u>\$76,020,036</u>	<u>\$46,544,683</u>	<u>\$50,416,014</u>	<u>\$119,180,372</u>	<u>\$126,436,050</u>	(5.7)	<u>\$79,382,709</u>	<u>\$54,476,157</u>	<u>\$133,858,866</u>	(5.5)

In 2021, depreciable assets in governmental activities decreased \$3.38 million primarily due to normal depreciation of \$3.26 million. Asset retirements included \$58 thousand from completed civic center sound system and \$59 thousand from wireless lan controller. In 2020, construction in progress for governmental activities decreased \$177 thousand primarily due to decreases in Civic Center Music Hall sound system upgrade expenses. Land and art increased \$125 thousand due to the purchase of Land Run sculptures. Depreciable assets in governmental activities decreased \$3.31 million in 2020 primarily due to normal depreciation of \$3.63 million, offset by \$323 thousand in asset additions. Asset additions primarily included \$205 thousand in Paycom Center and Prairie Surf Studios upgrades and \$66 thousand in sound system equipment for the Civic Center Music Hall.

In 2021 business-type construction in progress decreased \$3.91 million primarily due to the completion of the Fairgrounds holding pond project, the Fairgrounds new OKC arena project and the north parking lots project. Depreciable assets for business type activities increased \$41 thousand in 2021 primarily due to \$3.96 million in normal depreciation, offset by asset additions of \$3.85 million. Asset additions included \$128 thousand for Fairgrounds holding pond, \$3.48 million for Fairgrounds new arena and \$241 thousand for north parking lots repave. In 2020, business-type construction in progress decreased \$4.28 million primarily due to the completion of the south RV parking lot repaving project. Depreciable assets for business-type activities increased \$216 thousand in 2020 primarily due to \$4.37 million in normal depreciation, offset by asset additions of \$4.59 million. Asset additions included \$4.06 million for RV parking lot repaving, \$211 thousand for Fairgrounds north parking lot lighting and \$236 thousand for a packer truck.

See Note II. E. for more information regarding capital assets.

Long-term Debt

Advances

At the end of June 30, 2021 and 2020, the Authority had total advances outstanding of \$2,652,741 and \$2,746,979, respectively. See Note VI. A. for more information regarding advances.

Revenue Bonds

At the end of the fiscal year the Authority had total outstanding bonded debt of \$72,895,000 including fairgrounds bonded debt outstanding of \$64,340,000 and golf bonded debt of \$8,555,000. This debt is supported by pledged revenues from the business type activities of the Authority. See Note III. C. for more information regarding revenue bonds.

	Outstanding Long-term Debt							
			2021 - 2020		2020 - 2019		2020 - 2019	
	2021	2020	Amount of	% Change	2019	Amount of	% Change	2020 - 2019
Advances	\$2,652,741	\$2,746,979	(\$94,238)	(3.4%)	\$2,998,049	(\$251,070)	(8.4%)	
Revenue bonds	<u>72,895,000</u>	<u>76,960,000</u>	<u>(4,065,000)</u>	(5.3)	<u>80,845,000</u>	<u>(3,885,000)</u>	(4.8)	
	<u>\$75,547,741</u>	<u>\$79,706,979</u>	<u>(\$4,159,238)</u>	(5.2)	<u>\$83,843,049</u>	<u>(\$4,136,070)</u>	(4.9)	

The change in outstanding debt in 2021 for advances is primarily due to a decrease in the advance from OCMFA for golf carts due to scheduled repayments of \$36 thousand and a decrease in the advances from City and School Use Tax Fund for TIF District #6 line of credit of \$58 thousand. The decrease in revenue bonds is due to the scheduled debt payments of \$4.07 million. The change in outstanding debt in 2020 for advances is primarily due to a decrease in the advance from OCMFA for golf carts due to scheduled repayments. The decrease in revenue bonds is due to the scheduled debt payments of \$3.89 million. See Note III. F. for more information regarding changes in long-term debt.

Bond Ratings

Standard and Poor's rated the Authority's 2012 Golf System Revenue Bonds as AA+. 2010 Golf Revenue Bonds are privately placed. Fairgrounds hotel tax revenue bonds are rated AA- by Standard and Poor and Moody's, respectively.

Economic Factors

Economic factors directly affected the Authority's financial position for the golf courses. The operating revenue for the golf courses increased over the past fiscal year primarily as a result of more golf rounds played. The golf courses experienced an increase in rounds of 28.3%, primarily due to increases in daily rounds. Culture and recreation activities and Fairgrounds activities were significantly impacted by the national economic contraction brought on by the coronavirus pandemic.

Contacting the Authority's Financial Management

This financial report is designed to provide a general overview of the Authority's finances, comply with finance-related laws and regulations, and demonstrate commitment to public accountability. If you have questions about this report or would like to request additional information, contact the City's Finance Department, Accounting Services Division, at 100 North Walker, Suite 300, Oklahoma City, Oklahoma 73102.

Basic Financial Statements

Authority-wide Financial Statements

Provide both long-term and short-term information about the Authority's overall status using full accrual accounting.

- * ***Governmental Activities*** – *Reports general government, public services, culture and recreation, and economic development and the general revenues of the Authority.*
- * ***Business-Type Activities*** – *Reports golf courses, fairgrounds, and financial services activities.*

Fund Financial Statements

Focus on the Authority's most significant funds. Major funds are separately reported while all others are combined into a single, aggregated presentation.

Governmental Fund Financial Statements

Encompass essentially the same functions reported as governmental activities in the authority-wide financial statements using modified accrual accounting and report the annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Proprietary Fund Financial Statements

Provide both long-term and short-term information about the Authority's overall status using full accrual accounting.

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises.

STATEMENT OF NET POSITION
June 30,

OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY

	2021			2020		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
ASSETS						
CURRENT ASSETS						
Cash-----	\$14,526,097	\$3,279,268	\$17,805,365	\$13,142,119	\$1,736,553	\$14,878,672
Investments-----	12,887,257	11,037,684	23,924,941	10,718,475	11,025,293	21,743,768
Property taxes receivable-----	2,864	-	2,864	4,114	-	4,114
Accounts receivable, net-----	1,972,010	89	1,972,099	2,828,946	7,653	2,836,599
Interest, dividends, and royalties receivable-----	69,668	23,643	93,311	35,754	17,696	53,450
Internal balances-----	-	-	-	43,752	(43,752)	-
Receivable from the City of Oklahoma City-----	27,281	1,640	28,921	32,680	97,036	129,716
Receivable from component units-----	10,172	-	10,172	-	-	-
Advanced funding-----	162,887	-	162,887	162,887	-	162,887
Inventories and prepaids-----	287,501	355,638	643,139	370,378	347,219	717,597
Total current assets-----	29,945,737	14,697,962	44,643,699	27,339,105	13,187,698	40,526,803
NON-CURRENT ASSETS						
Investments-----	-	1,261,328	1,261,328	-	1,261,126	1,261,126
Prepaids, non-current-----	-	179,890	179,890	21,298	190,182	211,480
Net pension asset-----	-	-	-	-	146,948	146,948
Capital assets:						
Land and construction in progress-----	9,459,567	2,091,906	11,551,473	9,459,567	6,004,355	15,463,922
Other capital assets, net of accumulated depreciation-----	63,176,122	44,452,777	107,628,899	66,560,469	44,411,659	110,972,128
Capital assets, net-----	72,635,689	46,544,683	119,180,372	76,020,036	50,416,014	126,436,050
Total non-current assets-----	72,635,689	47,985,901	120,621,590	76,041,334	52,014,270	128,055,604
Total assets-----	102,581,426	62,683,863	165,265,289	103,380,439	65,201,968	168,582,407
DEFERRED OUTFLOWS OF RESOURCES						
	-	2,101,308	2,101,308	-	1,081,653	1,081,653
LIABILITIES						
CURRENT LIABILITIES						
Accounts payable and accrued expenses-----	4,010,216	616,789	4,627,005	4,151,399	497,908	4,649,307
Wages and benefits payable-----	-	276,847	276,847	-	242,865	242,865
Payable to City of Oklahoma City-----	874,014	236,287	1,110,301	934,105	321,526	1,255,631
Payable to component units-----	2,313,000	-	2,313,000	3,663	-	3,663
Compensated absences-----	-	43,256	43,256	-	45,550	45,550
Unearned revenue-----	7,583,875	-	7,583,875	10,231,469	-	10,231,469
Bond interest payable-----	-	855,755	855,755	-	901,357	901,357
Bonds payable-----	-	4,250,000	4,250,000	-	4,065,000	4,065,000
Total current liabilities-----	14,781,105	6,278,934	21,060,039	15,320,636	6,074,206	21,394,842
NON-CURRENT LIABILITIES						
Compensated absences-----	-	84,205	84,205	-	88,738	88,738
Payable to City of Oklahoma City-----	2,444,197	31,482	2,475,679	2,503,647	68,463	2,572,110
Unearned revenue-----	120,957	-	120,957	262,264	-	262,264
Bonds payable-----	-	68,645,000	68,645,000	-	72,895,000	72,895,000
Unamortized bond discount/premium-----	-	4,930,656	4,930,656	-	5,605,055	5,605,055
Bonds payable, net-----	-	73,575,656	73,575,656	-	78,500,055	78,500,055
Net pension liability-----	-	591,369	591,369	-	-	-
Net other post-employment benefit liability-----	-	5,858,944	5,858,944	-	5,315,746	5,315,746
Total non-current liabilities-----	2,565,154	80,141,656	82,706,810	2,765,911	83,973,002	86,738,913
Total liabilities-----	17,346,259	86,420,590	103,766,849	18,086,547	90,047,208	108,133,755
DEFERRED INFLOWS OF RESOURCES						
	-	2,499,088	2,499,088	-	2,245,750	2,245,750
NET POSITION (DEFICIT)						
Net investment in capital assets-----	72,635,689	(28,774,408)	43,861,281	76,020,036	(29,306,731)	46,713,305
Restricted for: Capital projects-----	2,411,705	-	2,411,705	2,146,236	-	2,146,236
Debt service-----	-	4,017,624	4,017,624	-	3,878,564	3,878,564
Public services-----	457,119	-	457,119	175,701	-	175,701
Culture and recreation-----	905,531	-	905,531	1,889,120	-	1,889,120
Unrestricted-----	8,825,123	622,277	9,447,400	5,062,799	(581,170)	4,481,629
Total net position (deficit)-----	\$85,235,167	(\$24,134,507)	\$61,100,660	\$85,293,892	(\$26,009,337)	\$59,284,555

STATEMENT OF ACTIVITIES
For the Years Ended June 30,

OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY

	2021			2020		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
<u>PROGRAM EXPENSES</u>						
General government-----	\$ -	\$ -	\$ -	\$3,289	\$ -	\$3,289
Police-----	46,778	-	46,778	66,600	-	66,600
Public services-----	618,013	-	618,013	617,200	-	617,200
Culture and recreation-----	22,489,227	-	22,489,227	32,436,565	-	32,436,565
Golf courses-----	-	10,278,232	10,278,232	-	8,225,060	8,225,060
Fairgrounds-----	-	6,437,197	6,437,197	-	7,220,052	7,220,052
Financial services-----	-	680,725	680,725	-	615,240	615,240
Economic development-----	78	-	78	169	-	169
Interest on long-term debt-----	82,889	-	82,889	83,756	-	83,756
Total expenses-----	23,236,985	17,396,154	40,633,139	33,207,579	16,060,352	49,267,931
<u>PROGRAM REVENUES</u>						
<u>CHARGES FOR SERVICES</u>						
Culture and recreation-----	3,521,763	-	3,521,763	12,448,049	-	12,448,049
Golf courses-----	-	10,836,995	10,836,995	-	8,686,369	8,686,369
Financial services-----	-	673,268	673,268	-	624,272	624,272
Total charges for services-----	3,521,763	11,510,263	15,032,026	12,448,049	9,310,641	21,758,690
<u>OPERATING GRANTS</u>						
<u>AND CONTRIBUTIONS</u>						
General government-----	18,965,675	-	18,965,675	15,275,951	-	15,275,951
Public services-----	3,161	-	3,161	-	-	-
Culture and recreation-----	94,561	-	94,561	196,096	-	196,096
Golf courses-----	-	1,288,863	1,288,863	-	1,191,947	1,191,947
Fairgrounds-----	-	6,469,853	6,469,853	-	6,613,477	6,613,477
Economic development-----	14	-	14	1,496	-	1,496
Total operating grants and contributions-----	19,063,411	7,758,716	26,822,127	15,473,543	7,805,424	23,278,967
Total program revenues-----	22,585,174	19,268,979	41,854,153	27,921,592	17,116,065	45,037,657
Net program expense-----	(651,811)	1,872,825	1,221,014	(5,285,987)	1,055,713	(4,230,274)
<u>GENERAL REVENUES</u>						
Tax incremental financing property taxes-----	69,676	-	69,676	70,623	-	70,623
Unrestricted investment income-----	8,487	2,005	10,492	202,809	43,133	245,942
Miscellaneous-----	514,923	-	514,923	498,975	-	498,975
Total general revenues-----	593,086	2,005	595,091	772,407	43,133	815,540
Changes in net position-----	(58,725)	1,874,830	1,816,105	(4,513,580)	1,098,846	(3,414,734)
<u>NET POSITION BEGINNING</u>						
Net position-beginning-----	85,293,892	(26,009,337)	59,284,555	89,807,472	(27,108,183)	62,699,289
Net position-ending-----	\$85,235,167	(\$24,134,507)	\$61,100,660	\$85,293,892	(\$26,009,337)	\$59,284,555

**BALANCE SHEET
GOVERNMENTAL FUND
June 30,**

**OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY**

	<u>2021</u>	<u>2020</u>
	<u>General Purpose Fund</u>	<u>General Purpose Fund</u>
<u>ASSETS</u>		
Pooled cash-----	\$246,658	\$24,629
Non-pooled cash-----	14,279,439	13,117,490
Investments-----	12,887,257	10,718,475
Property taxes receivable-----	2,864	4,114
Accounts receivable-----	1,972,010	2,828,946
Interest, dividends, and royalties receivable-----	69,668	35,754
Due within the Authority-----	-	43,752
Receivable from City of Oklahoma City-----	27,281	32,680
Receivable from component units-----	10,172	-
Advanced funding-----	162,887	162,887
Inventories-----	165,005	229,124
Prepays-----	122,496	141,254
Prepays, non-current-----	-	21,298
Total assets-----	<u>\$29,945,737</u>	<u>\$27,360,403</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</u>		
<u>LIABILITIES</u>		
Accounts payable and accrued expenditures-----	\$4,010,216	\$4,151,399
Payable to City of Oklahoma City-----	442,338	585,028
Payable to component units, current-----	2,313,000	3,663
Unearned revenue-----	7,583,875	10,231,469
Unearned revenue, non-current-----	120,957	262,264
Total liabilities-----	<u>14,470,386</u>	<u>15,233,823</u>
<u>DEFERRED INFLOWS OF RESOURCES</u> -----	<u>658,990</u>	<u>707,825</u>
<u>FUND BALANCES</u>		
Non-spendable-----	287,501	391,676
Restricted-----	3,484,684	3,925,200
Committed-----	787,138	628,601
Assigned-----	8,671,737	6,023,867
Unassigned-----	1,585,301	449,411
Total fund balance-----	<u>14,816,361</u>	<u>11,418,755</u>
Total liabilities, deferred inflows of resources, and fund balance-----	<u>\$29,945,737</u>	<u>\$27,360,403</u>
<u>RECONCILIATION OF THE BALANCE SHEET, GOVERNMENTAL FUND TO THE STATEMENT OF NET POSITION, GOVERNMENTAL ACTIVITIES</u>		
Total fund balance-----	\$14,816,361	\$11,418,755
Capital assets, net of accumulated depreciation-----	72,635,689	76,020,036
Revenue earned but not available-----	658,990	707,825
Long-term payable to the City of Oklahoma City, current-----	(431,676)	(349,077)
Long-term payable to the City of Oklahoma City, non-current-----	(2,444,197)	(2,503,647)
Net position-governmental activities-----	<u>\$85,235,167</u>	<u>\$85,293,892</u>

**STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
For the Years Ended June 30,**

**OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY**

	<u>2021</u>	<u>2020</u>
	<u>General Purpose Fund</u>	<u>General Purpose Fund</u>
<u>REVENUES</u>		
Tax incremental financing property taxes-----	\$70,926	\$69,599
Facility fees-----	125,000	72,763
Investment income-----	15,306	324,884
Public events charges-----	2,060,893	11,237,869
Other charges for services-----	218,960	236,415
Rental income-----	1,180,410	1,138,272
Payments from the City of Oklahoma City-----	18,965,675	15,275,951
Other-----	562,199	573,974
Total revenues-----	<u>\$23,199,369</u>	<u>28,929,727</u>
<u>EXPENDITURES</u>		
<u>CURRENT</u>		
General government-----	-	3,289
Police-----	46,778	66,600
Public services-----	40,260	-
Culture and recreation-----	19,682,633	29,420,870
Economic development-----	78	169
Capital outlay-----	-	270,222
<u>DEBT SERVICE</u>		
Interest-----	82,889	83,756
Long-term payable to the City of Oklahoma City-----	-	3,810
Total expenditures-----	<u>19,852,638</u>	<u>29,848,716</u>
Excess of revenues over expenditures-----	<u>\$3,346,731</u>	<u>(918,989)</u>
<u>OTHER FINANCING SOURCES</u>		
Sale of assets-----	27,725	-
Long-term payable to the City of Oklahoma City-----	23,150	-
Net other financing sources-----	<u>50,875</u>	<u>-</u>
Net change in fund balance-----	<u>3,397,606</u>	<u>(918,989)</u>
Fund balance, beginning-----	11,418,755	12,337,744
Fund balance, ending-----	<u>14,816,361</u>	<u>\$11,418,755</u>
<u>RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE, GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES, GOVERNMENTAL ACTIVITIES</u>		
Net change in fund balance-----	3,397,606	(\$918,989)
Capital outlay-----	-	270,222
Depreciation expense-----	(3,260,560)	(3,632,895)
Loss on disposal of assets-----	(123,786)	-
Recognition of earned but unavailable revenue-----	(48,835)	(235,728)
Long-term payable to the City of Oklahoma City-----	(23,150)	3,810
Change in net position (deficit)-governmental activities-----	<u>(\$58,725)</u>	<u>(\$4,513,580)</u>

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30,**

**OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY**

	2021				2020			
	Enterprise Funds				Enterprise Funds			
	Golf Courses	Fairgrounds	Financial Services	Total	Golf Courses	Fairgrounds	Financial Services	Total
	Fund	Fund	Fund	Total	Fund	Fund	Fund	Total
ASSETS								
CURRENT ASSETS								
Pooled cash-----	\$33,338	\$63,373	\$2,457	\$99,168	\$1,469	\$2,128	\$402	\$3,999
Non-pooled cash-----	3,180,100	-	-	3,180,100	1,732,554	-	-	1,732,554
Investments-----	2,601,677	8,318,852	117,155	11,037,684	1,832,739	9,122,643	69,911	11,025,293
Accounts receivable, net-----	89	-	-	89	7,653	-	-	7,653
Interest, dividends, and royalties receivable-----	7,618	15,538	487	23,643	3,552	13,918	226	17,696
Due within Authority-----	-	-	-	-	-	(43,752)	-	(43,752)
Receivable from the City of Oklahoma City-----	1,640	-	-	1,640	29,148	67,888	-	97,036
Inventories-----	342,021	-	-	342,021	334,599	-	-	334,599
Prepays-----	1,675	11,942	-	13,617	629	11,991	-	12,620
Total current assets-----	6,168,158	8,409,705	120,099	14,697,962	3,942,343	9,174,816	70,539	13,187,698
Investments-----	455,710	805,618	-	1,261,328	455,710	805,416	-	1,261,126
Prepays, non-current-----	1,683	178,207	-	179,890	-	190,182	-	190,182
Net pension asset-----	-	-	-	-	146,948	-	-	146,948
Land and construction in progress-----	-	2,091,906	-	2,091,906	-	6,004,355	-	6,004,355
Other capital assets, net of accumulated depreciation-----	8,705,881	35,746,896	-	44,452,777	9,406,640	35,005,019	-	44,411,659
Capital assets, net-----	8,705,881	37,838,802	-	46,544,683	9,406,640	41,009,374	-	50,416,014
Total non-current assets-----	9,163,274	38,822,627	-	47,985,901	10,009,298	42,004,972	-	52,014,270
Total assets-----	15,331,432	47,232,332	120,099	62,683,863	13,951,641	51,179,788	70,539	65,201,968
DEFERRED OUTFLOWS OF RESOURCES-----	1,960,470	140,838	-	2,101,308	929,396	152,257	-	1,081,653
LIABILITIES								
CURRENT LIABILITIES								
Accounts payable and accrued expenses-----	467,380	64,734	84,675	616,789	379,452	90,584	27,872	497,908
Wages and benefits payable-----	276,847	-	-	276,847	242,865	-	-	242,865
Payable to City of Oklahoma City-----	236,287	-	-	236,287	246,413	75,113	-	321,526
Compensated absences-----	43,256	-	-	43,256	45,550	-	-	45,550
Bond interest payable-----	72,232	783,523	-	855,755	79,227	822,130	-	901,357
Bonds payable-----	925,000	3,325,000	-	4,250,000	900,000	3,165,000	-	4,065,000
Total current liabilities-----	2,021,002	4,173,257	84,675	6,278,934	1,893,507	4,152,827	27,872	6,074,206
NON-CURRENT LIABILITIES								
Compensated absences-----	84,205	-	-	84,205	88,738	-	-	88,738
Payable to City of Oklahoma City-----	31,482	-	-	31,482	68,463	-	-	68,463
Bonds payable:								
Bonds payable-----	7,630,000	61,015,000	-	68,645,000	8,555,000	64,340,000	-	72,895,000
Unamortized bond discount/premium-----	20,057	4,910,599	-	4,930,656	22,280	5,582,775	-	5,605,055
Bonds payable, net-----	7,650,057	65,925,599	-	73,575,656	8,577,280	69,922,775	-	78,500,055
Net pension liability-----	591,369	-	-	591,369	-	-	-	-
Net other post-employment benefit liability-----	5,858,944	-	-	5,858,944	5,315,746	-	-	5,315,746
Total non-current liabilities-----	14,216,057	65,925,599	-	80,141,656	14,050,227	69,922,775	-	83,973,002
Total liabilities-----	16,237,059	70,098,856	84,675	86,420,590	15,943,734	74,075,602	27,872	90,047,208
DEFERRED INFLOWS OF RESOURCES-----	2,374,695	124,393	-	2,499,088	2,106,430	139,320	-	2,245,750
NET POSITION (DEFICIT)								
Net investment in capital assets-----	799,776	(29,574,184)	-	(28,774,408)	598,494	(29,905,225)	-	(29,306,731)
Restricted for debt service-----	718,252	3,299,372	-	4,017,624	699,398	3,179,166	-	3,878,564
Unrestricted-----	(2,837,880)	3,424,733	35,424	622,277	(4,467,019)	3,843,182	42,667	(581,170)
Total net position (deficit)-----	(\$1,319,852)	(\$22,850,079)	\$35,424	(\$24,134,507)	(\$3,169,127)	(\$22,882,877)	\$42,667	(\$26,009,337)

**STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Years Ended June 30,**

**OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY**

	2021				2020			
	Enterprise Funds				Enterprise Funds			
	Golf		Financial		Golf		Financial	
	Courses	Fairgrounds	Services	Total	Courses	Fairgrounds	Services	Total
	Fund	Fund	Fund	Total	Fund	Fund	Fund	Total
OPERATING REVENUES								
CHARGES FOR SERVICES								
Green fees-----	\$6,543,922	\$ -	\$ -	\$6,543,922	\$5,043,558	\$ -	\$ -	\$5,043,558
Concessions-----	1,144,147	-	-	1,144,147	1,135,400	-	-	1,135,400
Natural gas charges-----	-	-	673,268	673,268	-	-	624,272	624,272
Other charges-----	3,992	-	-	3,992	22,837	-	-	22,837
Total charges for services-----	7,692,061	-	673,268	8,365,329	6,201,795	-	624,272	6,826,067
Golf cart rentals-----	3,134,810	-	-	3,134,810	2,409,740	-	-	2,409,740
Other-----	8,808	-	-	8,808	10,899	-	-	10,899
Total operating revenues-----	10,835,679	-	673,268	11,508,947	8,622,434	-	624,272	9,246,706
OPERATING EXPENSES								
Personal services-----	4,600,058	-	-	4,600,058	3,418,220	-	-	3,418,220
Maintenance, operations, and contractual services-----	2,736,603	390,560	680,725	3,807,888	2,312,020	689,595	615,240	3,616,855
Materials and supplies-----	1,927,965	296,218	-	2,224,183	1,468,676	232,562	-	1,701,238
Depreciation-----	717,740	3,242,849	-	3,960,589	700,789	3,673,351	-	4,374,140
Total operating expenses-----	9,982,366	3,929,627	680,725	14,592,718	7,899,705	4,595,508	615,240	13,110,453
Operating income (loss)-----	853,313	(3,929,627)	(7,457)	(3,083,771)	722,729	(4,595,508)	9,032	(3,863,747)
NON-OPERATING REVENUE (EXPENSE)								
Investment income-----	1,771	6,373	214	8,358	46,934	186,054	4,286	237,274
Interest on bonds and notes-----	(298,088)	(2,495,546)	-	(2,793,634)	(327,672)	(2,612,451)	-	(2,940,123)
Bond insurance-----	-	(12,024)	-	(12,024)	-	(12,093)	-	(12,093)
Amortization-----	2,222	-	-	2,222	2,317	-	-	2,317
Payments from City of Oklahoma City-----	1,288,741	6,463,622	-	7,752,363	1,180,477	6,430,806	-	7,611,283
Other revenue-----	1,316	-	-	1,316	63,935	-	-	63,935
Net non-operating revenue-----	995,962	3,962,425	214	4,958,601	965,991	3,992,316	4,286	4,962,593
Changes in net position (deficit)-----	1,849,275	32,798	(7,243)	1,874,830	1,688,720	(603,192)	13,318	1,098,846
Total net assets (deficit), beginning-----	(3,169,127)	(22,882,877)	42,667	(26,009,337)	(4,857,847)	(22,279,685)	29,349	(27,108,183)
Total net position (deficit), ending-----	(\$1,319,852)	(\$22,850,079)	\$35,424	(\$24,134,507)	(\$3,169,127)	(\$22,882,877)	\$42,667	(\$26,009,337)

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Years Ended June 30,**

**OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY**

	2021				2020			
	Enterprise Funds				Enterprise Funds			
	Golf	Fairgrounds	Financial	Total	Golf	Fairgrounds	Financial	Total
	Courses		Services		Courses		Services	
Fund	Fund	Fund		Fund	Fund	Fund		
CASH FLOWS FROM OPERATING								
ACTIVITIES								
Cash received from customers-----	\$10,930,294	\$ -	\$673,268	\$11,603,562	\$8,705,642	\$ -	\$623,630	\$9,329,272
Cash payments to suppliers for goods and services-----	(4,422,440)	(706,541)	(623,922)	(5,752,903)	(3,560,273)	(1,406,174)	(652,280)	(5,618,727)
Cash payments to employees and professional contractors for services-----	(4,055,137)	-	-	(4,055,137)	(4,124,785)	-	-	(4,124,785)
Cash payments for internal services-----	(233,365)	(39,212)	-	(272,577)	(172,688)	39,212	-	(133,476)
Operating payments from City of Oklahoma City-----	1,288,740	6,507,374	-	7,796,114	1,180,476	8,411,689	-	9,592,165
Operating payments to City of Oklahoma City-----	(38,253)	-	-	(38,253)	(192,226)	-	-	(192,226)
Net cash provided by operating activities-----	3,469,839	5,761,621	49,346	9,280,806	1,836,146	7,044,727	(28,650)	8,852,223
CASH FLOWS FROM CAPITAL AND								
CAPITAL RELATED FINANCING								
ACTIVITIES								
Payments for acquisition and construction of capital assets-----	(16,980)	(132,413)	-	(149,393)	(16,694)	(556,697)	-	(573,391)
Principal paid on long-term debt-----	(900,000)	(3,165,000)	-	(4,065,000)	(870,000)	(3,015,000)	-	(3,885,000)
Interest paid on long-term debt-----	(303,030)	(3,211,306)	-	(3,514,336)	(330,255)	(3,362,044)	-	(3,692,299)
Capital and capital related payments to City of Proceeds from sale of assets-----	820	-	-	820	-	-	-	-
Net cash provided (used) by capital and capital related financing activities-----	(1,219,190)	(6,508,719)	-	(7,727,909)	(1,216,949)	(6,933,741)	-	(8,150,690)
CASH FLOWS FROM INVESTING								
ACTIVITIES								
Payments for purchase of investments-----	(1,214,880)	(6,662,791)	-	(7,877,671)	(1,229,824)	(6,489,662)	-	(7,719,486)
Proceeds from sale of investments-----	1,203,020	6,984,539	-	8,187,559	1,207,823	6,855,815	-	8,063,638
Changes in pooled investments-----	(757,077)	481,842	(47,244)	(322,479)	(111,094)	(669,825)	24,626	(756,293)
Investment income received-----	(2,297)	4,753	(47)	2,409	13,511	194,814	4,426	212,751
Purchased interest-----	-	-	-	-	35,464	-	-	35,464
Net cash provided (used) by investing activities-----	(771,234)	808,343	(47,291)	(10,182)	(84,120)	(108,858)	29,052	(163,926)
Net increase in cash-----	1,479,415	61,245	2,055	1,542,715	535,077	2,128	402	537,607
Cash, beginning-----	1,734,023	2,128	402	1,736,553	1,198,946	-	-	1,198,946
Cash, ending-----	\$3,213,438	\$63,373	\$2,457	\$3,279,268	\$1,734,023	\$2,128	\$402	\$1,736,553

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Years Ended June 30,**

**OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY**

	2021				2020			
	Enterprise Funds				Enterprise Funds			
	Golf		Financial		Golf		Financial	
	Courses	Fairgrounds	Services	Total	Courses	Fairgrounds	Services	Total
<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Total</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Total</u>	
RECONCILIATION OF OPERATING								
LOSS TO NET CASH PROVIDED BY								
OPERATING ACTIVITIES								
Operating income (loss)-----	\$853,313	(\$3,929,627)	(\$7,457)	(\$3,083,771)	\$722,729	(\$4,595,508)	\$9,032	(\$3,863,747)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET								
CASH PROVIDED BY OPERATING ACTIVITIES								
Depreciation-----	717,740	3,242,849	-	3,960,589	700,789	3,673,351	-	4,374,140
Other revenue (expense)-----	498	(12,024)	-	(11,526)	63,935	(12,093)	-	51,842
(Increase) decrease in accounts receivable-----	7,564	-	-	7,564	(1,887)	-	-	(1,887)
(Increase) decrease in receivable from component units-----	1,316,249	6,522,315	-	7,838,564	1,151,329	8,396,750	-	9,548,079
(Increase) decrease in receivable from City of								
(Increase) decrease in inventories-----	(7,422)	-	-	(7,422)	(12,810)	-	-	(12,810)
(Increase) decrease in prepaid assets-----	(2,729)	12,024	-	9,295	4,137	12,094	-	16,231
(Increase) decrease in net pension asset-----	146,948	-	-	146,948	331,145	-	-	331,145
(Increase) decrease in deferred outflows-----	(1,031,074)	-	-	(1,031,074)	(189,387)	-	-	(189,387)
Increase (decrease) in accounts payable and accrued expenses-----	87,928	(30,164)	56,803	114,567	112,890	(444,496)	(37,042)	(368,648)
Increase (decrease) in wages and benefits payable-----	33,982	-	-	33,982	4,200	-	-	4,200
Increase (decrease) in payable to City of Oklahoma City-----	(49,163)	(43,752)	-	(92,915)	(200,931)	14,629	(640)	(186,942)
Increase (decrease) in compensated absences-----	(6,827)	-	-	(6,827)	(35,468)	-	-	(35,468)
Increase (decrease) in net pension liability-----	591,369	-	-	591,369	-	-	-	-
Increase (decrease) in net other post-employment benefit liability-----	543,198	-	-	543,198	(533,931)	-	-	(533,931)
Increase (decrease) in deferred inflows-----	268,265	-	-	268,265	(280,594)	-	-	(280,594)
Total adjustments-----	2,616,526	9,691,248	56,803	12,364,577	1,113,417	11,640,235	(37,682)	12,715,970
Net cash provided by operating activities-----	\$3,469,839	\$5,761,621	\$49,346	\$9,280,806	\$1,836,146	\$7,044,727	(\$28,650)	\$8,852,223

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Notes to Financial Statements

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I. A. INTRODUCTION

The accounting and reporting framework and the more significant accounting principles and practices are discussed in subsequent sections of this note. The remainder of the notes is organized to provide explanations, including required disclosures, of the Oklahoma City Public Property Authority (Authority) financial activities for the fiscal years ended June 30, 2021 and 2020.

I. B. BASIS OF PRESENTATION

I. B. 1. REPORTING ENTITY AND RELATIONSHIP TO THE CITY OF OKLAHOMA CITY (CITY)

Due to restrictions of the state constitution relating to the issuance of municipal debt, the City created public trusts to finance City services with revenue bonds or other non-general obligation financing, and to provide for multi-year contracting. Financing services provided by these public trusts are solely for the benefit of the City. Public trusts were created to provide financing services and are blended into the City's primary government although retaining separate legal identity.

The Authority is a public trust created pursuant to Title 60 of the Oklahoma Statutes, section 176, et seq. The Authority was established August 15, 1961, with the City named as the beneficiary. The purpose of the Authority is generally to provide a means of financing various municipal recreational improvements and services.

The provisions of the trust indenture provide that the Authority will lease or otherwise manage the related property and improvements financed by the Authority. The Authority will receive all revenues generated from the related properties to pay the debt service requirements on the revenue bonds issued by the Authority plus costs and expenses incidental to the management, operation, maintenance, and conservation of the Authority. In addition, the Authority is responsible for all operating expenses and the financing of future improvements to the five City municipal golf courses.

The Mayor and members of the City Council of the City serve as the Trustees for the Authority. The City Manager serves as the General Manager. The Authority does not have the power to levy taxes. The City has no obligation for debt issued by the Authority.

Method of Reporting in the City's Comprehensive Annual Financial Report (ACFR)

The Authority is presented as a blended component unit of the City and is included in the City's financial reporting entity. The Authority meets the requirements for blending because the Authority's governing body is identical to the City's elected governing board (City Council), and the Authority is managed as a department of the City under the direction of the City Manager using City employees.

The Authority is included in the City's financial reporting entity presented in the City's ACFR. The City's ACFR may be obtained from the Finance Department, Accounting Services Division, 100 N. Walker, Suite 300, Oklahoma City, OK 73102.

Authority Administration

The Authority's employees perform activities for the golf courses only. All other activities of the Authority are performed by City employees.

Related Parties

Oklahoma City Employee Retirement System (OCERS)

OCERS provides retirement benefits and disability allowances for employees of the Authority.

Oklahoma City Post-Employment Benefit Trust (OCPEBT)

OCPEBT provides post-retirement health benefits for employees of the Authority.

I. B. 2. BASIC FINANCIAL STATEMENTS

Authority-wide Financial Statements

The Authority-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the Authority as a whole. Individual funds are not displayed but the statements distinguish governmental activities from business-type activities which are generally financed in whole or in part with fees charged to external customers.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include charges for services which include fees and other charges to users of the Authority's services. Other revenue sources not properly included with program revenues are reported as general revenues.

Fund Financial Statements

Fund financial statements are provided for governmental and enterprise (proprietary) funds. All funds of the Authority are considered major.

I. B. 3. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Generally Accepted Accounting Principles (U.S. GAAP)

The financial statements of the Authority are prepared in accordance with U.S. GAAP. The Authority applies all relevant GASB pronouncements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The Authority-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). Proprietary fund financial statements also report using this same focus and basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The Authority considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred.

Governmental Fund

The governmental fund uses the current financial resources measurement focus. Only current assets and current liabilities are generally included on the balance sheet. The operating statement presents sources and uses of available resources during a given period.

General Purpose Fund

This fund is used by the Authority to account for specific revenues including events, box office sales, lease revenues, and tax increment ad valorem income which are designated to finance general government functions or activities of the Authority, such as public services, parks, and public events including economic development projects.

Proprietary Funds

Proprietary funds use the economic resources measurement focus. All assets and liabilities (whether current or noncurrent) associated with a proprietary fund's activities are included on its statement of net position.

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

Enterprise Funds

Golf Courses Fund

This fund is used to account for the revenues and expenses of five municipal golf courses.

Fairgrounds Fund

This fund is used to account for payments from the City for hotel/motel tax revenues dedicated for debt service and the expenditure of bond funds.

Financial Services Fund

The City currently has multiple facilities that use natural gas in sufficient volumes to qualify for use of a third party natural gas supplier rather than the local natural gas utility. On July 1, 2010, the City designated the Financial Services Fund to consolidate and manage the third party natural gas contracts of the City.

I. C. BUDGET LAW AND PRACTICE

Oklahoma Statutes require the submission of financial information for public trusts. However, legal budgetary control levels are not specified. The Authority's budget is submitted to its governing body for approval annually and is received by the City Council for approval. Budgetary control of Authority operations is exercised on a project-length basis for most funds of the Authority. The exception is the Golf Course Fund where the budget is developed on an annual basis. Appropriations in funds other than the Golf Course Fund are carried forward each year until projects are completed. Appropriations for the Golf Course Fund expire at the close of the fiscal year. Management's policy prohibits expenditure/expenses exceeding revenues. Management may transfer appropriations without governing body approval.

**I. D. POLICIES RELATED TO ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES,
DEFERRED INFLOWS OF RESOURCES, AND FUND EQUITY**

I. D. 1. IMPLEMENTATION OF NEW ACCOUNTING STANDARDS

In 2021, the Authority implemented the following accounting standards. The implementation of these standards did not have a material impact on the Authority's financial statements.

The Authority implemented Governmental Accounting Standards Board (GASB) statement number 84, Fiduciary Activities. The primary purpose of this statement is to improve guidance and financial reporting of fiduciary activities. The requirements of this statement are intended to enhance the consistency and comparability of fiduciary activity to improve the usefulness of this information primarily for assessing government accountability and stewardship as a fiduciary.

The Authority implemented GASB statement number 90, Majority Equity Interests. The primary objectives of this statement are to improve the consistency and comparability of reporting majority equity interest in a legally separate organization and to improve the relevance of financial statement information by providing essential information related to presentation for certain component units.

The Authority implemented all requirements of GASB statement number 93, Replacement of Interbank Offered Rates with the exception of the removal of the London Interbank Offered Rate (LIBOR) as an appropriate benchmark interest rate, which will be effective for the Authority in fiscal year 2022. The primary purpose of this statement is to preserve the consistency and comparability of reporting hedging derivative instruments and leases after amending or replacing agreements to replace an Interbank Offered Rate. As a result of global reference rate reform, LIBOR is expected to cease to exist at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates.

The Authority early adopted GASB statement number 98, The Annual Comprehensive Financial Report. The primary purpose of this statement is to establish the term annual comprehensive financial report and its acronym ACFR. This statement was developed in response to concerns raised by stakeholders that the pronunciation of the acronym for comprehensive annual financial report sounds like a profoundly objectionable racial slur. The Authority, like the GASB, is committed to promoting inclusiveness.

I. D. 2. CASH AND INVESTMENTS

The Authority participates in the investment policy approved by the City Council. The Authority's governing board formally adopted the City's updated deposit and investment policy in November 2017. Where applicable, deposit and investment policies for restricted funds are specified in the respective bond indentures.

The Authority maintains and controls a cash and investment operating pool which functions as a demand deposit account for participating funds of the Authority. Fund pooled cash and investments are allocated to the funds based on the fund's position in the pool and reported as pooled cash and investments. In addition, non-pooled cash and investments are separately held and reflected in respective funds as non-pooled cash and investments. The Authority engages in non-pooled investing activity for bond proceeds, golf course operations, and other functionally separate activities.

Investments are carried at fair value determined by quoted market prices. The management of the restricted investments is performed in accordance with applicable bond indentures and at the direction of the trustee bank. Cash deposits are reported at carrying amount which approximates fair value.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date.

Accounting guidance establishes a consistent framework for measuring fair value and establishes a fair value hierarchy based on the observability of inputs used to measure fair value. These different levels of valuation hierarchy are described as follows:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Quoted prices for similar assets or liabilities in active markets or inputs other than quoted prices that are observable.

Level 3 - Significant unobservable prices or inputs.

An investment's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

I. D. 3. INVENTORIES AND PREPAIDS

Inventories in governmental funds are recorded on either a weighted average or first-in first-out basis. Inventories for proprietary funds are recorded on either a market basis or first-in first-out basis.

Prepays are payments to vendors that benefit future reporting periods and are reported on the consumption basis. Non-current prepaids benefit periods beyond the following 12 month period. Payments to vendors that are less than \$5,000 are considered de minimus and are reported with expenses/expenditures in the year of payment.

I. D. 4. RECEIVABLES AND UNCOLLECTIBLE AMOUNTS

Property Taxes Receivable

Property taxes are collected and remitted to the Authority by Oklahoma County for specifically identified Tax Incremental Financing (TIF) districts. Taxes are levied annually. Property taxes receivable are estimated from the prior calendar year receipts. In the governmental fund financial statements, property tax revenues are recorded for all receipts during the year and for 60 days after year-end.

In the government-wide financial statements, property taxes receivable and related revenue include all amounts due the Authority regardless of when cash is received.

Other Significant Receivables

Significant receivables are due from promoters, advertisers, ticketing agencies, and other businesses. These receivables, due within 30 days, are stated net of an allowance for doubtful accounts. The allowance amount is estimated using the length of time the receivables are past due.

I. D. 5. RESTRICTED ASSETS

Certain assets are restricted for capital projects funded through long-term debt and debt service reserves. Restricted deposits and investments are legally restricted for the payment of currently maturing debt service and capital projects.

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as needed.

I. D. 6. INTERFUND BALANCES

Generally, outstanding balances between funds reported as due to/from other funds include outstanding charges by one fund to another for services or goods, subsidy commitments outstanding at year-end, or other miscellaneous receivables/payables between funds. Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are described as due to/from other funds (i.e., the current portion of intrafund loans) or advances to/from other funds (i.e., the non-current portion of intrafund loans). All activity between governmental and business-type activities of the Authority is eliminated and any residual balances outstanding between the activities are reported in the Authority-wide financial statements as internal balances.

I. D. 7. CAPITALIZED INTEREST

Interest costs are capitalized when incurred on debt where proceeds were used to finance the construction of assets. Interest earned on proceeds of tax-exempt borrowing arrangements restricted to the acquisition of qualifying assets is offset against interest costs in determining the amount to be capitalized.

I. D. 8. CAPITAL ASSETS AND DEPRECIATION

The Authority generally capitalizes assets with cost of \$50,000 or more. Items that do not meet the monetary threshold listed in the policy summary are expensed in the period incurred with the exception of golf carts used for golf operations. Property and equipment are stated at actual or estimated historical cost. Donated assets are stated at their fair market value on the date donated. Capital assets are reported in the Authority-wide statements and respective proprietary funds and are depreciated using the straight line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Estimated useful lives, in years, for depreciable assets are as follows:

Buildings	10 - 50
Infrastructure and improvements other than buildings	10 - 50
Mobile equipment, furniture, machinery, and equipment	5 - 20

Costs incurred during construction of long-lived assets are recorded as construction in progress and are not depreciated until placed in service. The Authority's proprietary funds capitalize interest as a component of capital assets constructed for its own use.

I. D. 9. DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

In addition to assets and liabilities, the statement of financial position and the governmental fund balance sheet may report separate sections of deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period which will not be recognized as an outflow of resources until that time. Deferred inflows of resources represent an acquisition of net position that applies to a future period which will not be recognized as an inflow of resources until that time.

I. D. 10. DEBT, BOND DISCOUNT AND PREMIUM, AND DEFERRED AMOUNTS FROM REFUNDING

In the Authority-wide and proprietary financial statements, outstanding debt is reported as liabilities. Bond discounts or premiums and the difference between the reacquisition price and the net carrying value of refunded debt are capitalized and amortized over the terms of the respective bonds using a method that approximates the effective interest method. The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources of the current period. Bond discounts and premiums are reported with bonds payable and deferred amounts from refunding are reported as deferred outflows in the statement of net position.

I. D. 11. COMPENSATED ABSENCES

Golf course employees are granted vacation benefits in varying amounts depending on tenure with the Authority. These benefits accumulate pro rata by pay period. The employee's right to use accumulated vacation and to receive an accumulated vacation payment upon termination vests after one year of employment. Sick leave accrues to employees at the rate of approximately 5 days per year with a maximum accrual of approximately 25 days. After one year of service, employees are entitled to a percentage of their sick leave balance upon termination.

I. D. 12. USE OF ESTIMATES

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

I. D. 13. TIF

TIF is a method of obtaining financing using future gains in taxes to finance current improvements which will create the conditions for those future gains. When a public project is carried out, the increase in the value of surrounding real estate, and perhaps new investment, generates increased property and sales tax revenues dedicated to finance the debt issued to pay for the project.

I. D. 14. FUND EQUITY

Fund Balance

Non-Spendable Fund Balance

Fund balance reported as non-spendable includes amounts not in spendable form or is not expected to be converted to cash including inventories, prepaid expenses, and advance funding. In addition, non-current assets which will eventually be converted to cash are reported as non-spendable when otherwise unassigned.

Restricted Fund Balance

Restricted fund balance includes amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation including City ordinances approved by a vote of the Citizens.

Committed Fund Balance

Committed fund balance includes amounts that are constrained for specific purposes that are internally imposed by a vote of the Board of Trustees. Commitments of fund balance do not lapse at year-end.

Assigned Fund Balance

Assigned fund balance includes amounts that are intended to be used for specific purposes that are neither considered restricted nor committed. Fund balance may be assigned by formal action of the City Finance Director.

Unassigned Fund Balance

Unassigned fund balance includes fund balance within the General Purpose Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.

Fund Balance Usage

The Authority uses restricted amounts when both restricted and unrestricted fund balance is available unless there are legal documents or contracts prohibiting such use, such as grant agreements requiring dollar for dollar spending. Additionally, the Authority uses committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

Net Position

Net investment in capital assets and legally restricted amounts are reported separately from unrestricted net position.

Net Investment in Capital Assets

The amount reported is calculated as total capital assets less accumulated depreciation and outstanding debt used to purchase the assets net of unspent portions. Unspent portions of debt, along with any amounts used to fund debt reserves, are included with restricted net position.

Restricted Net Position

Amounts reported as restricted for debt service include those amounts held in restricted accounts as required by the debt instrument. Restricted amounts held to pay bond interest are reduced by accrued interest payable. Net position restricted for capital projects include unspent debt proceeds legally restricted for capital outlays. Restricted net position also include purpose restrictions from enabling legislation and other external sources.

I. D. 15. RISK MANAGEMENT

The Authority's risk management activities are recorded in the City Risk Management, the Oklahoma City Municipal Facilities Authority (OCMFA) Services funds and Oklahoma City Post-Employment Benefits Trust (OCPEBT). The purpose of these funds is to administer employee life, employee health, property and liability, workers' compensation, unemployment, and disability insurance programs of the City in which the Authority participates. These funds account for the risk financing activities of the Authority and constitute a transfer of risk from the Authority.

The Authority pays premiums to the City included with other administrative chargebacks and has no other costs or liabilities related to risk management activities. Costs and liabilities for commercial insurance, stop-loss insurance, and claims paid are recorded in the City Risk Management Fund and the OCMFA Services Fund. Retiree health insurance claims costs and liabilities are reported in OCPEBT.

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic and recommended worldwide mitigation measures. The extent of COVID-19's effect on the Authority's operational and financial performance will depend on future developments, including the duration, spread and intensity of the pandemic, all of which are uncertain and difficult to predict considering the rapidly evolving landscape. As a result, it is not currently possible to ascertain the overall impact of COVID-19 on the Authority's operations. However, if the pandemic continues to evolve it is likely to have a negative impact on revenue from culture and recreation activities and hotel/motel tax.

I. E. POLICIES RELATED TO REVENUES AND EXPENDITURES/EXPENSES

I. E. 1. MAJOR REVENUES

Governmental Fund

Program revenue reported in governmental activities include public events charges for services such as box office fees and management fees. Other charges for service include water taxi receipts.

General revenues reported in governmental activities include property ad valorem tax for TIF proceeds, investment income, naming rights and other operating income.

Proprietary Funds

Operating revenues in the Golf Course Fund include green fees, driving range, café at the golf courses, locker and golf cart rental, and other non-operating revenue and interest income.

Revenues recognized in the Fairgrounds Fund are non-operating interest income and payments from the City Hotel/Motel Tax Fund.

The Authority's Financial Service Fund has charges to City departments for natural gas service from third party providers and receives investment income.

I. E. 2. LEASE OPERATING AGREEMENTS

Fairgrounds

On October 3, 2006, the Authority and the City entered into a management agreement with the State Fair of Oklahoma, Inc. (Fair), a private, nonprofit corporation. Under terms of this agreement, all fairgrounds-related property, owned by the City and the Authority, is leased to the Fair. The Fair, in return, agrees to operate, manage, and maintain the fairgrounds.

Golf Facilities

The Authority leases the Lake Hefner, Lincoln Park, Trosper Park, and Earlywine Park golf facilities from the City. The lease agreements provide that all revenues generated by these assets will accrue to the Authority. Although each course is leased to the Authority individually, the terms of these leases are substantially the same. The Authority is responsible for all costs and expenses of operating and maintaining the golf facilities with the exception of water used for course maintenance, which is subsidized by the City's General Fund through payments to the Authority. The lease agreements require a nominal annual rental payment and provide that they shall remain in effect as long as revenue bonds of the Authority remain outstanding.

The Authority provides supervision of the operation and maintenance of the James E. Stewart Golf Course, pursuant to a joint resolution between the City and the Authority dated May 27, 1997.

The golf facilities are managed and maintained by employees of the Authority under advisory direction of a nine-member Golf Commission which is appointed by the Chairman of the Trustees (the Mayor) and approved by the Trustees. The golf facilities and golf system-related activity are recorded in the Authority's Golf Courses Fund.

Chickasaw Bricktown Ballpark (Ballpark)

As part of the City's Metropolitan Area Projects (MAPS) downtown revitalization program, a new downtown ballpark was constructed. On October 7, 1997, the City Council leased the new downtown ballpark and related facilities to the Authority for an initial 10 year term. The lease was extended to 2012 and will be extended automatically for the same rental and terms for two additional terms of five years each. On the same date, the Authority subleased the Ballpark to the Oklahoma City Athletic Club Limited Partnership that holds the franchise for the Oklahoma Redhawks baseball team. On September 24, 2014, The OKC TransitionCO acquired the rights and responsibilities of the sublease from the Oklahoma City Athletic Club and changed the name of the organization to the Oklahoma City Dodgers baseball team. The sublease is subject to the terms of a financing agreement to provide for the continued operations and maintenance of the Ballpark. The sublease requires annual rent equal to the greater of 7% of paid admissions for all events or \$250,000. Rentals are deposited by the Authority in a capital improvements account designated for future Ballpark capital improvements. This lease and sublease activity are reported in the General Purpose Fund.

On September 23, 2014, the Authority approved a \$1.00 facility fee charge to most ticketed events at the Ballpark. These proceeds will be remitted to the Authority for the purpose of making capital improvements and future capital maintenance.

Prairie Surf Studios, Paycom Center, and Civic Center Music Hall

The Authority leases Prairie Surf Studios, the Paycom Center, and the Civic Center Music Hall (Civic Center) from the City. The amended lease, dated June 4, 2002, is for a twenty-five year period which began on May 11, 1999. The lease requires all of the proceeds derived from the operations of the leased premises to be paid as rental payments to the City. This lease and sublease activity are reported in the General Purpose Fund. On June, 19, 2018, the Authority entered into an agreement with the Civic Center Foundation (Foundation) for the management and operation of the Civic Center. In consideration of the Foundation's agreement to provide all necessary operating capital as well as accept the financial risk of operations, the City and the Authority agreed that the Foundation is entitled to receive and shall retain all net revenues realized through the Foundation's operation subject to the terms of the Agreement. On November 8, 2016, the Authority entered into an agreement taking effect upon the commencement date where the Authority leases the Downtown Convention Center from the City for an initial period of five years that may be extended for two additional renewal terms consisting of 3 years each.

Oklahoma City Thunder

The Authority approved an agreement on April 15, 2008, with the Oklahoma City Thunder (Team) for use of the Paycom Center and National Basketball Association (NBA) Practice Facility during a 15-year initial term and five potential three-year renewal term(s).

The Team pays annual arena rent. Additional rent is to be paid for each pre-season and post-season home game. The Team pays the Authority the annual naming rights revenue and annual NBA practice facility rent. Rent and naming rights fees are subject to periodic consumer price index adjustments, capped at 3% annually. These activities are reported in the General Purpose Fund.

Prairie Surf Studios

On December 8, 2020, the Authority entered into a lease and facility occupancy agreement with ASM Global (ASM) and Prairie Surf Media. Under the terms of this agreement Prairie Surf will use the building formerly referred to as the Cox Business Services Center (Cox Center) as a motion picture and television studio and remit annual rent. The initial term of the agreement is for a period of 5 years commencing January 1, 2021 with an option to extend the term for up to 3 years. ASM will continue to have a presence in the building and will have the obligation to perform certain tasks and duties as set forth in the Agreement in addition to its existing obligations under the facility management agreement approved July 3, 2018.

I. E. 3. MANAGEMENT AGREEMENTS

Prairie Surf Studios, Paycom Center and Oklahoma City Downtown Convention Center

On October 19, 1999, the City and the Authority entered into a management agreement with ASM. Under the agreement, ASM agreed to manage and operate Prairie Surf Studios (formerly Cox Convention Center) and Paycom Center (formerly Chesapeake Arena). On November 8, 2016, the City and Authority entered into a management agreement with ASM to manage and operate the Oklahoma City Downtown Convention Center. ASM subcontracts with various entities to provide services including marketing, food and beverages for events at the facilities. The audited financial statements for ASM are available upon request from the City Finance department, 100 N. Walker, Suite 300, Oklahoma City, OK, 73012.

Civic Center Music Hall

On June 19, 2018, the City and the Authority entered into a management agreement with the Civic Center Foundation (Foundation). Under the agreement, the Foundation agreed to manage and operate the Civic Center Music Hall. This includes, but is not limited to, presenting the annual Broadway season; administering suite leases; overseeing retail food and beverage services; providing event scheduling and ticketing services; and performing routine maintenance and general repairs. The Foundation has developed operating policies and procedures, with the approval of the Authority General Manager. The Foundation is also required to submit an annual performance report. The agreement will run through June 30, 2023, and can be renewed for four additional five-year terms, for a total of 25 years.

Golf Courses

The professional managers of the respective golf courses are contracted by the Authority under the terms of five-year professional services agreements. These professional services agreements provide for compensation to be paid monthly to the professional managers at a rate equal to a fixed fee plus a percentage of gross golf cart rentals and a percentage of all other operating revenues, including green fees, restaurant income, and driving range fees. The professional managers receive all the revenues from the sale and rental of golf merchandise, repairs to patrons' golf equipment, and golf lessons. However, they must bear substantially all the costs and expenses related to these activities.

The professional services agreements also require the Authority to provide health, life and dental insurance coverage to the professional managers, as well as retirement benefits.

Tennis Center

In January, 2010, the City and the Authority entered into an agreement for management and operations of the tennis program and facilities at the Oklahoma City Tennis Center with OKC Public Tennis, LLC, for the period of January 14, 2010, through January 14, 2013. On December 11, 2012, the City of Oklahoma City approved an amendment to the agreement extending the term for an additional three years. On April 21, 2015, a fourth amendment to the agreement was approved retroactive to January 14, 2013, through January 13, 2016. On August 18, 2016, the Authority entered into a new agreement for management and operations of the tennis program and facilities at the Oklahoma City Tennis Center. This agreement was retroactive for the period from January 14, 2016 through January 14, 2026. OKC Public Tennis, LLC assumes sole responsibility for management and compensation of the staff and management of the tennis program and facilities including tennis lessons, court rentals, tournaments, clinics, camps, pro shop operations, food and beverage services, and tennis equipment repairs, subject to overall policy direction and approval of the City and the Authority.

Rose State College

In June 2015, the first renewal of an agreement between Rose State College and the Authority was signed regarding the management of the Theater. The term of the agreement was extended from July 1, 2015, and through June 30, 2016. On June 21, 2016, the City of Oklahoma City approved a second renewal extending the agreement through June 30, 2017. On June 13, 2017, the City of Oklahoma City approved a third renewal extending the agreement through June 30, 2018. Under the terms of the agreement, the Civic Center staff is responsible for managing the theater and the City is reimbursed for all expenses incurred. These activities were reported in the General Purpose Fund. As of July 1, 2018, the Foundation is now responsible for the management of the Theater and in consideration for incurring all expenses will be entitled to receive all net revenues.

USA Softball Hall of Fame Complex and Stadium Facilities

In August 2014, the City and the Authority entered into an agreement for the management and operation of the USA Softball Hall of Fame Complex and the Stadium Facilities, with USA Softball, Inc. (formerly Amateur Softball Association of America). The term of the agreement is for a primary term of thirty-five (35) years, commencing on May 1, 2014, with an option belonging to USA Softball, Inc. to renew the lease for an additional thirty-five (35) years.

I. F. TAX STATUS

The Authority is exempt from Federal and state income taxes under Section 115 of the Internal Revenue Code for any trade or business related to the Authority's tax-exempt purpose or function.

I. G. RETAINAGES

It is the policy of the Authority to retain a percentage of construction contracts until a completed project has been accepted by the Trustees. Contractors may request to opt out of this retainage by providing a certificate of deposit with the City. The City holds the certificate of deposit and the Authority retains the risk of incurring costs related to a contractor's failure to perform. However, in the event of non-performance, the City calls the certificate and pays the proceeds to the Authority to cover any costs incurred. The Authority does not record the effect of holding the certificates of deposit.

I. H. REVENUE RESERVES

Capital Improvements

Effective May 1, 1995, the Golf Commission recommended and the Trustees of the Authority approved a surcharge on golf rounds. Current rates are \$0.50 to \$9.00 for daily rounds and \$350.00 to \$900.00 for annual rounds. These funds are generally used for the major renovation of existing courses. The use of these funds is subject to the approval of the Golf Commission and the Trustees of the Authority.

Operating Reserve

Golf courses are required to deposit \$0.50 to \$2.00 of each green fee to a savings account and amounts are generally spent as needed. Spending of these funds is recommended by the Golf Commission and approved by the Trustees of the Authority.

Equipment Replacement

Golf courses are required to deposit \$0.50 to \$4.00 of each cart rental to a savings account and amounts are generally spent as needed. Spending of these funds is recommended by the Golf Commission and approved by the Trustees of the Authority.

II. ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

II. A. DEPOSITS AND INVESTMENTS

Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Authority's deposits may not be returned or the Authority will not be able to recover collateral securities in the possession of an outside party. The Authority's policy requires deposits to be 110 percent secured by collateral valued at market less the amount of the Federal depository insurance. Deposited funds may be invested in certificates of deposit in institutions with an established record of fiscal health, as determined by the bank's institutional rating provided by commercially available bank rating services or on performance evaluations conducted pursuant to the Federal Community Reinvestment Act, 12 United States Code, Section 2901. Collateral agreements must be approved prior to deposit of funds as provided by law. The City Council approves and designates a list of authorized depository institutions based on evaluation by the City Treasurer of the institutions' financial strength in accordance with the investment policy.

The general bond indentures for the Golf System Revenue Bonds and Fairgrounds Hotel Tax Revenue Bonds require the use of trust accounts. The bond accounts are used to segregate resources accumulated for debt service payments over the next twelve months. The operating and maintenance account is used for resources set aside to make up deficiencies in operating and maintenance activities. The construction accounts are used for proceeds of revenue bond issuances that are restricted for use in construction. The bond reserve account is used for proceeds of revenue bond issuances set aside to make up potential future deficiencies in the bond accounts, or to make the last bond principal and interest payments.

At June 30, 2021 and 2020, the Authority's cash is collateralized with securities held by the pledging financial institution in the name of the Authority or the City, less Federal depository insurance, except for \$14,029,438 held by ASM that exceeds federally insured limits.

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY

Investments

The Authority invests in various investment securities. Investment securities are exposed to various risks such as interest rate risk and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the Authority's financial position. However, because the values of individual investments fluctuate with market conditions, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined.

		2021							
		Fair Value/ Carrying	Level 1	Level 2	Level 3	Measured at	Average		
<u>Cost</u>	<u>Amount</u>	<u>Inputs</u>	<u>Inputs</u>	<u>Inputs</u>	<u>Inputs</u>	<u>NAV (1)</u>	<u>Credit Quality/ Ratings (2)</u>	<u>Weighted Average</u>	<u>(months) (3)</u>
<u>POOLED</u>									
<u>INVESTMENTS</u>									
Money									
market (4)(5)	\$4,072,770	\$4,072,770	\$4,072,770	\$ -	\$ -	\$ -	AAA/Aaa	1.37	
Federal									
Obligations	5,074,779	5,121,056	-	5,121,056	-	-	AA/Aaa	12.29	
US Treasury									
Notes	8,382,095	8,310,100	-	8,310,100	-	-	N/A	27.47	
Fannie Mae	<u>978,031</u>	<u>1,013,686</u>	<u>-</u>	<u>1,013,686</u>	<u>-</u>	<u>-</u>	AA/Aaa	9.30	
Total pooled									
investments	<u>18,507,675</u>	<u>18,517,612</u>	<u>4,072,770</u>	<u>14,444,842</u>	<u>-</u>	<u>-</u>			
<u>NON-POOLED</u>									
<u>INVESTMENTS</u>									
Money									
market (4)(5)	<u>6,668,657</u>	<u>6,668,657</u>	<u>6,668,657</u>	<u>-</u>	<u>-</u>	<u>-</u>	AAA/Aaa	1.19	
Total									
investments	<u>\$25,176,332</u>	<u>\$25,186,269</u>	<u>\$10,741,427</u>	<u>\$14,444,842</u>	<u>\$-</u>	<u>\$-</u>			

(Continued)

Investments (continued)

		2020							
		Fair Value/ Carrying	Level 1	Level 2	Level 3	Measured at	Average Credit Quality/	Weighted Average	
	Cost	Amount	Inputs	Inputs	Inputs	NAV (1)	Ratings (2)	(months) (3)	
<u>POOLED</u>									
<u>INVESTMENTS</u>									
Money									
market (4)(5)	\$5,741,805	\$5,741,805	\$5,741,805	\$ -	\$ -	\$ -	AAA/Aaa	1.33	
Federal									
Obligations	5,018,219	5,175,499	-	5,175,499	-	-	AA/Aaa	17.94	
US Treasury									
Notes	3,990,164	4,079,532	-	4,079,532	-	-	N/A	16.13	
Fannie Mae	<u>978,031</u>	<u>1,029,514</u>	<u>-</u>	<u>1,029,514</u>	<u>-</u>	<u>-</u>	AA/Aaa	21.47	
Total pooled investments	<u>15,728,219</u>	<u>16,026,350</u>	<u>5,741,805</u>	<u>10,284,545</u>	<u>-</u>	<u>-</u>			
<u>NON-POOLED</u>									
<u>INVESTMENTS</u>									
Money									
market (4)(5)	<u>6,978,544</u>	<u>6,978,544</u>	<u>6,978,544</u>	<u>-</u>	<u>-</u>	<u>-</u>	AAA/Aaa	1.16	
Total investments	<u>\$22,706,763</u>	<u>\$23,004,894</u>	<u>\$12,720,349</u>	<u>\$10,284,545</u>	<u>\$-</u>	<u>\$-</u>			

- (1) The net asset value (NAV) is a practical expedient to estimate fair value.
- (2) Ratings are provided where applicable to indicate associated credit risk.
- (3) Interest rate risk is estimated using weighted average months to maturity.
- (4) Cost approximates fair value.
- (5) Consists solely of U.S. Treasury securities.

Fair Value Measurement

The following is a description of the valuation methodologies used for assets measured at fair value in the tables above. There have been no changes in the methodologies used.

An investment's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Money market funds are reported at cost which approximates fair value, are traded on active markets at quoted prices, and are valued at level 1.

Federal obligations consist of Federal Home Loan Bank notes. These securities use pricing models that maximize the use of observable inputs for similar securities and are valued at level 2. U.S. Treasury notes use similar pricing models and are also valued at level 2.

Investment Policy

The Authority's investment policy is maintained by the City Treasurer. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Authority funds may be invested in: (1) direct obligations of the U.S. government, its agencies or instrumentalities to the payment of which the full faith and credit of the U.S. government is pledged, or obligations to the payment of which the full faith and credit of the State of Oklahoma is pledged; (2) Federal agency or U.S. government-sponsored enterprise obligations, participations, or other instruments, including those insured by or fully guaranteed as principal and interest by Federal agencies or U.S. government-sponsored enterprises; (3) collateralized or insured certificates of deposit and other evidences of deposits at banks, savings and loan associations, and credit unions located in Oklahoma when secured by appropriate collateral or fully insured certificates of deposit and other evidences of deposits at banks, savings and loan associations, and credit unions located outside of Oklahoma; (4) repurchase agreements that have underlying collateral of direct obligations or obligations of the U.S. government, its agencies, and instrumentalities; (5) money market funds regulated by the Securities and Exchange Commission which consist of authorized domestic securities with restrictions as specified in state law; (6) Savings accounts or certificates of savings and loan associations, banks, and credit unions, to the extent the accounts are fully insured by Federal depository insurance; (7) State and Local Government Series (SLGS); (8) City direct debt obligations for which an ad valorem tax may be levied or bonds issued by a public trust of which the City is a beneficiary and judgments rendered against the City by a court of record, provided it is a prudent investment; (9) Prime commercial paper with a maturity date less than 180 days which represents less than 10% of the outstanding paper of an issuing corporation.

Under the policy, the Authority may not invest in reverse repurchase agreements, derivative instruments created from, whose value depends on, or is derived from, the value of one or more underlying assets or indices of asset values and/or has no call options prior to the desired maturity or is a variable rate instrument. Collateralization is further restricted to permitted investments shown previously as items (1) and (2).

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The policy provides that to the extent practicable, investments are matched with anticipated cash flows. Investments are diversified to minimize the risk of loss resulting from over-concentration of assets in a specific maturity period, a single issuer, or an individual class of securities. Unless matched to a specific cash flow, investments are not made in securities maturing more than five years from the date of purchase. Certificates of deposit may not be purchased with maturities greater than 365 days from date of purchase.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the Authority's investment in a single issuer. Cumulatively, portfolios of the Authority may not be invested in any given financial institution in excess of 5% of such institution's total assets excluding U.S. government securities and those issued by government sponsored enterprises, SLGS, and City judgments. Additionally, no more than 5% of the total Authority portfolio may be placed with any single financial institution excluding U.S. government securities and those issued by government sponsored enterprises, savings, money market funds, SLGS, City judgments, and repurchase agreements.

Portfolio Structure (1)

Investment Type Limitations Percentage of Total Invested Principal		Maturity Limitations Percentage of Total Invested Principal	
	<u>Maximum % (2)</u>		<u>Maximum % (4)</u>
Repurchase agreements	100.0%	0-1 year	100%
U.S. Treasury securities (3)	100.0	1-3 years	90
Certificates of deposit	50.0	3-5 years	90
Money market funds	100.0		
Savings accounts	100.0		
U.S. noncallable agencies securities	100.0		
U.S. callable agency securities	20.0		
Prime commercial paper	7.5		
City judgments	5.0		

(1) Specifically matched cash flows are excluded.

(2) For investments listed, there is no minimum percentage specified under the policy.

(3) Includes SLGS.

(4) For maturities limited to 0-1 year, the minimum percentages allowed under the policy are 5-25%.

The policy also allows surplus cash, certificates of deposit, and repurchase agreements to be collateralized with securities with longer maturities if such maturity does not exceed ten years.

Securities Held by Others

For investments, 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 investments or collateral securities in the possession of an outside party. Policy provides that investment collateral is held by a third party custodian with whom the City has a current custodial agreement in the Authority's name or be held in the name of both parties by the Federal Reserve Bank servicing Oklahoma. The Authority's unrestricted investments are insured or collateralized with securities held by the Authority, or its agent in the Authority's name.

Bond Indentures Restrictions

The bond indentures provide that investments mature in no more than six to sixty months, depending on the purpose of the funds and the requirements of the account in which funds are deposited.

Golf System Revenue Bonds

Golf course bond indentures restrict investing to governmental obligations; governmental obligations which have been stripped of their unmatured interest coupons and interest coupons which have been stripped from governmental obligations, provided that such obligations must be held by a third party; bonds, debentures, notes, or evidence of indebtedness issued by the: bank for cooperatives, federal home loan banks, federal land bank, federal financing bank, Federal National Mortgage Association, Government National Mortgage Association, Student Loan Marketing Association; interest-bearing time or demand deposits, certificates of deposit or similar banking arrangements with any government securities dealer; certificates of deposit secured by collateral described in (1) and (2) above; investments fully insured by Federal depository insurance; repurchase agreements; money market accounts; commercial paper; shares of mutual funds; advanced refunding municipal bonds; and guaranteed investment contracts.

Fairgrounds Hotel Tax Revenue Bonds

Fairgrounds bond indentures restrict investing to governmental obligations; bonds, debentures, notes or evidence of indebtedness issued by the: export – import bank, Farmers Home Administration, General Services Administration, U.S. Maritime Administration, Small Business Administration, Government National Mortgage Association, U.S. Department of Housing and Urban Development, Federal Housing Administration; bonds or notes issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation; commercial paper; money market accounts; advanced refunding municipal bonds; and certificates of deposit.

Restricted Deposits and Investments

	2021		2020	
	Golf System Revenue Bonds	Fairgrounds Hotel Tax Revenue Bonds	Golf System Revenue Bonds	Fairgrounds Hotel Tax Revenue Bonds
Bond principal and interest	\$790,463	\$3,277,277	\$778,604	\$3,195,880
Construction accounts	6,110	1,333,480	6,108	1,736,826
Bond reserve	<u>455,710</u>	<u>805,618</u>	<u>455,710</u>	<u>805,416</u>
	<u>\$1,252,283</u>	<u>\$5,416,375</u>	<u>\$1,240,422</u>	<u>\$5,738,122</u>

Compliance with State Requirements

Authority investment policy and the bond indentures, as well as the pension trust policy, are more restrictive than the requirements of Oklahoma law found in Title 60 of the Oklahoma Statutes and the standards of the Oklahoma Uniform Prudent Investor Act. These statutes restrict public Authority investing to the Prudent Investor Rule defined by Title 60 Oklahoma Statutes to consider the purposes, terms, distribution requirements, and other circumstances of the trust and to exercise reasonable care, skill, and caution. Investment decisions must be evaluated not in isolation, but in the context of the trust portfolio as a whole and as a part of the overall investment strategy having risk and return objectives reasonably suited to the Authority.

II. B. RECEIVABLES AND UNCOLLECTIBLE AMOUNTS

Property Taxes Receivable

Revenues include TIF property tax collections. TIF property taxes from designated TIF districts are paid directly to the Authority. Taxes are levied annually on November 1. One-half of levied tax is due by December 31 and one-half is due by March 31. Major tax payments are received December through April. Lien dates for real property are in June and October, respectively. Property taxes receivable and related revenue include all amounts due the Authority regardless of when cash is received. Over time, substantially all property taxes are collected. In 2021 and 2020, respectively, the Authority recognized \$2,864 and \$4,114 in property taxes receivable.

Accounts Receivable

	2021	2020
<i>Governmental activities</i>		
Ticket and event receivables	\$934,775	\$1,861,794
Lease revenues receivables	480,132	569,185
Other receivables	<u>557,103</u>	<u>397,967</u>
	<u>\$1,972,010</u>	<u>\$2,828,946</u>
<i>Business-type activities</i>		
Golf course miscellaneous receivables	<u>\$89</u>	<u>\$7,653</u>

Advance Funding

The Authority advances funds to a management company to operate the City's business improvement districts. As of June 30, 2021 and 2020, \$162,887 was unexpended.

II. C. INVENTORIES

	<u>2021</u>	<u>2020</u>
<i>Governmental activities</i>		
Food and beverage items and other supplies	<u>\$165,005</u>	<u>\$229,124</u>
 <i>Business-type activities</i>		
Restaurant inventory	57,285	45,149
Cart barn and driving range supplies	51,769	42,847
Maintenance and janitorial supplies	<u>232,967</u>	<u>246,603</u>
	<u>342,021</u>	<u>334,599</u>
	<u>\$507,026</u>	<u>\$563,723</u>

II. D. PREPAID ASSETS

	<u>2021</u>	<u>2020</u>
<i>Governmental activities</i>		
Software license and support agreements	\$64,398	\$92,421
Other	-	43,239
ASM operations	<u>58,098</u>	<u>26,892</u>
	<u>122,496</u>	<u>162,552</u>
 <i>Business-type activities</i>		
Prepaid insurance	190,149	202,283
Software and vehicle maintenance	3,358	383
Business and vehicle insurance	<u>-</u>	<u>136</u>
	<u>193,507</u>	<u>202,802</u>
	<u>\$316,003</u>	<u>\$365,354</u>

II. E. CAPITAL ASSETS

Changes in Capital Assets

	2021							
	Capital Assets, not depreciated			Capital Assets, depreciated				
	Land and Art	Construction In Progress	Total Capital Assets, not depreciated	Buildings	Improvements Other Than Buildings	Furniture, Machinery, and Equipment	Total Capital Assets, depreciated	Total Capital Assets, net
<i>Governmental Activities</i>								
<u>CAPITAL ASSETS</u>								
Balance, June 30, 2020	\$9,357,815	\$101,752	\$9,459,567	\$50,729,266	\$45,614,434	\$22,573,310	\$118,917,010	\$128,376,577
Decreases	-	-	-	-	(58,812)	(265,105)	(323,917)	(323,917)
Balance, June 30, 2021	<u>9,357,815</u>	<u>101,752</u>	<u>9,459,567</u>	<u>50,729,266</u>	<u>45,555,622</u>	<u>22,308,205</u>	<u>118,593,093</u>	<u>128,052,660</u>
<u>ACCUMULATED</u>								
<u>DEPRECIATION</u>								
Balance, June 30, 2020				14,629,033	21,337,910	16,389,598	52,356,541	52,356,541
Increases				1,139,000	1,077,571	1,043,989	3,260,560	3,260,560
Decreases				-	(58,139)	(141,991)	(200,130)	(200,130)
Balance, June 30, 2021				<u>15,768,033</u>	<u>22,357,342</u>	<u>17,291,596</u>	<u>55,416,971</u>	<u>55,416,971</u>
Total governmental activities	<u>9,357,815</u>	<u>101,752</u>	<u>9,459,567</u>	<u>34,961,233</u>	<u>23,198,280</u>	<u>5,016,609</u>	<u>63,176,122</u>	<u>72,635,689</u>
<i>Business-type Activities</i>								
<u>CAPITAL ASSETS</u>								
Balance, June 30, 2020	2,004,837	3,999,518	6,004,355	39,394,337	88,970,222	10,042,108	138,406,667	144,411,022
Increases	-	72,278	72,278	-	-	16,980	16,980	89,258
Transfers	-	(3,984,727)	(3,984,727)	3,488,776	495,951	-	3,984,727	-
Balance, June 30, 2021	<u>2,004,837</u>	<u>87,069</u>	<u>2,091,906</u>	<u>42,883,113</u>	<u>89,466,173</u>	<u>10,059,088</u>	<u>142,408,374</u>	<u>144,500,280</u>
<u>ACCUMULATED</u>								
<u>DEPRECIATION</u>								
Balance, June 30, 2020				11,114,320	75,054,275	7,826,413	93,995,008	93,995,008
Increases				896,699	2,444,750	619,140	3,960,589	3,960,589
Balance, June 30, 2021				<u>12,011,019</u>	<u>77,499,025</u>	<u>8,445,553</u>	<u>97,955,597</u>	<u>97,955,597</u>
Total business-type activities	<u>2,004,837</u>	<u>87,069</u>	<u>2,091,906</u>	<u>30,872,094</u>	<u>11,967,148</u>	<u>1,613,535</u>	<u>44,452,777</u>	<u>46,544,683</u>
Total	<u>\$11,362,652</u>	<u>\$188,821</u>	<u>\$11,551,473</u>	<u>\$65,833,327</u>	<u>\$35,165,428</u>	<u>\$6,630,144</u>	<u>\$107,628,899</u>	<u>\$119,180,372</u>

(continued)

NOTES TO FINANCIAL STATEMENTS
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OKLAHOMA CITY PUBLIC
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Capital Assets (continued)

	2020							Total Capital Assets, net
	Capital Assets, not depreciated			Capital Assets, depreciated				
	Land and Art	Construction In Progress	Total Capital Assets, not depreciated	Buildings	Improvements Other Than Buildings	Furniture, Machinery, and Equipment	Total Capital Assets, depreciated	
<i>Governmental Activities</i>								
<u>CAPITAL ASSETS</u>								
Balance, June 30, 2019	\$9,232,985	\$279,185	\$9,512,170	\$50,729,266	\$45,614,434	\$22,250,485	\$118,594,185	\$128,106,355
Increases	114,080	-	114,080	-	-	156,142	156,142	270,222
Transfers	10,750	(177,433)	(166,683)	-	-	166,683	166,683	-
Balance, June 30, 2020	<u>9,357,815</u>	<u>101,752</u>	<u>9,459,567</u>	<u>50,729,266</u>	<u>45,614,434</u>	<u>22,573,310</u>	<u>118,917,010</u>	<u>128,376,577</u>
<u>ACCUMULATED</u>								
<u>DEPRECIATION</u>								
Balance, June 30, 2019				13,490,031	20,217,268	15,016,347	48,723,646	48,723,646
Increases				1,139,002	1,120,642	1,373,251	3,632,895	3,632,895
Balance, June 30, 2020				<u>14,629,033</u>	<u>21,337,910</u>	<u>16,389,598</u>	<u>52,356,541</u>	<u>52,356,541</u>
Total governmental activities	<u>9,357,815</u>	<u>101,752</u>	<u>9,459,567</u>	<u>36,100,233</u>	<u>24,276,524</u>	<u>6,183,712</u>	<u>66,560,469</u>	<u>76,020,036</u>
<i>Business-type Activities</i>								
<u>CAPITAL ASSETS</u>								
Balance, June 30, 2019	2,004,837	8,275,392	10,280,229	39,394,172	84,688,123	9,734,501	133,816,796	144,097,025
Increases	-	16,996	16,996	165	3,729	298,707	302,601	319,597
Decreases	-	(5,600)	(5,600)	-	-	-	-	(5,600)
Transfers	-	(4,287,270)	(4,287,270)	-	4,278,370	8,900	4,287,270	-
Balance, June 30, 2020	<u>2,004,837</u>	<u>3,999,518</u>	<u>6,004,355</u>	<u>39,394,337</u>	<u>88,970,222</u>	<u>10,042,108</u>	<u>138,406,667</u>	<u>144,411,022</u>
<u>ACCUMULATED</u>								
<u>DEPRECIATION</u>								
Balance, June 30, 2019				10,217,623	72,229,580	7,173,665	89,620,868	89,620,868
Increases				896,697	2,824,695	652,748	4,374,140	4,374,140
Balance, June 30, 2020				<u>11,114,320</u>	<u>75,054,275</u>	<u>7,826,413</u>	<u>93,995,008</u>	<u>93,995,008</u>
Total business-type activities	<u>2,004,837</u>	<u>3,999,518</u>	<u>6,004,355</u>	<u>28,280,017</u>	<u>13,915,947</u>	<u>2,215,695</u>	<u>44,411,659</u>	<u>50,416,014</u>
Total	<u>\$11,362,652</u>	<u>\$4,101,270</u>	<u>\$15,463,922</u>	<u>\$64,380,250</u>	<u>\$38,192,471</u>	<u>\$8,399,407</u>	<u>\$110,972,128</u>	<u>\$126,436,050</u>

Depreciation Expense

	<i>Governmental Activities</i>		<i>Business-type Activities</i>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Culture and recreation	\$2,097,596	\$2,398,806	Golf courses	\$717,740
Public services	1,162,964	1,234,089	Fairgrounds	3,242,849
	<u>\$3,260,560</u>	<u>\$3,632,895</u>		<u>\$3,960,589</u>
				<u>\$4,374,140</u>

Capitalized Interest

	2021		2020	
	<u>Total Interest Costs Incurred</u>	<u>Capitalized Interest</u>	<u>Total Interest Costs Incurred</u>	<u>Capitalized Interest</u>
<i>Business-type Activities</i>				
Fairgrounds	\$2,497,016	\$1,470	\$2,612,499	\$48
Golf Courses	<u>298,088</u>	<u>-</u>	<u>327,672</u>	<u>-</u>
	<u>\$2,795,104</u>	<u>\$1,470</u>	<u>\$2,940,171</u>	<u>\$48</u>

II. F. DEFERRED OUTFLOWS OF RESOURCES

Deferred Amounts on Refunding

Deferred amounts on refundings of bonds results from a difference in the carrying value of refunded debt to its reacquisition price. Deferred amounts on refunding are amortized over the shorter of the life of the refunded or refunding debt. The Golf Courses Fund reported deferred amounts on refunding of \$2,391 less accumulated amortization of \$1,980 and \$1,798 at June 30, 2021 and 2020, respectively, related to the refunding of the 1998 Golf Revenue Refunding and Improvement Bonds. The Fairgrounds Fund reported deferred amounts on refunding of \$171,289 less accumulated amortization of \$30,451 and \$19,032 at June 30, 2021 and 2020, respectively, related to the refunding of the 2007A Hotel Tax Revenue Bonds.

III. LIABILITIES AND DEFERRED INFLOWS OF RESOURCES

III. A. UNEARNED REVENUES

	<i>Governmental Activities</i>	
	<u>2021</u>	<u>2020</u>
<u>CURRENT</u>		
ASM operations	\$7,189,137	\$9,837,533
Digital Antennae Service (DAS) leases	301,460	345,226
Utility Reimbursements	<u>93,278</u>	<u>48,710</u>
	<u>\$7,583,875</u>	<u>\$10,231,469</u>
<u>NON-CURRENT</u>		
DAS leases	<u>\$120,957</u>	<u>\$262,264</u>

III. B. COMPENSATED ABSENCES

Compensated absences balances changed from June 30, 2020 to June 30, 2021 by accruals of \$88,923 and usages of \$95,750, and from June 30, 2019 to June 30, 2020 by accruals of \$65,954 and usages of \$101,422.

III. C. REVENUE BONDS

Unamortized Bond Discount/Premium

	2021			2020		
	Golf Courses	Fairgrounds	Total	Golf Courses	Fairgrounds	Total
Bonds payable	\$5,745,000	\$64,340,000	\$70,085,000	\$5,995,000	\$67,505,000	\$73,500,000
Bonds payable from private placements	2,810,000	-	2,810,000	3,460,000	-	3,460,000
Unamortized bond discount/premium	<u>20,057</u>	<u>4,910,599</u>	<u>4,930,656</u>	<u>22,280</u>	<u>5,582,775</u>	<u>5,605,055</u>
Bonds payable, net	<u>\$8,575,057</u>	<u>\$69,250,599</u>	<u>\$77,825,656</u>	<u>\$9,477,280</u>	<u>\$73,087,775</u>	<u>\$82,565,055</u>

Golf Courses Revenue Bonds

On September 1, 2010, the Private Placement Series 2010 Golf Courses Revenue Refunding Bonds were issued for \$8,465,000 and the proceeds were transferred to the Series 1998 Golf Courses Revenue Bond redemption trust account and were used to call the Series 1998 Golf Courses Revenue Bonds on October 1, 2010. Private Placement Series 2010 Golf Courses Revenue Refunding Bonds, less issue costs of \$68,979, along with the debt service reserve for the Series 1998 Golf Courses Revenue Bonds of \$954,625 and the balance of principal account of \$450,000 were used to defease the Series 1998 Golf Courses Revenue Bonds balance of \$9,780,000 leaving a balance of \$20,646 to be used for future projects. The Private Placement Series 2010 Golf Courses Revenue Bond issue interest rate is 3.15%.

On July 11, 2012, the Series 2012 Golf Courses Revenue Bonds were issued for \$7,565,000 to improve Lincoln Park Golf Course. The Series 2012 Golf Courses Revenue Bonds less issue costs of \$75,115 were used to supplement the City Series 2010 General Obligation Bond amount of \$2,250,000 to be used for construction and renovation of the course facilities. The average interest rate on these bonds is 2.81%.

Fairgrounds Hotel/Motel Tax Revenue Bonds

On December 14, 2004, City voters approved a 5.5% hotel tax for the purpose of encouraging, promoting and fostering convention and tourism for the City. Pursuant to the security agreement, the City agrees on a year to year basis to transfer the hotel tax revenues to the Authority.

The bonds are limited obligations of the Authority payable solely from the trust estate pledged under the indenture consisting of the convention and tourism development portion and the fairgrounds development portion of the hotel tax revenues received by the Authority from the City pursuant to the security agreement described below. Interest on the bonds is payable each April 1 and October 1, commencing April 1, 2006. The indenture requires the use of project, principal, interest, and reserve accounts.

The fairgrounds are owned by the City and leased to the Authority pursuant to a lease agreement dated November 1, 1961, as amended. The term of the lease has been extended for as long as the bonds remain outstanding.

On August 1, 2007, the Authority issued \$20 million in Series 2007A Hotel Tax Revenue Bonds with an average interest rate of 4.24%. Total proceeds included \$322,145 in discount. Issuance costs were \$396,920. Net proceeds of \$19,280,935 are used to fund various fairgrounds renovations, primarily the Norick Coliseum, the prime location for all equine events. Other significant uses of funds include a new gateway, security fencing, transportation trams, parking lots and associated drainage. These bonds were paid in full with the proceeds from the issuance of the Revenue Refunding Bonds, Series 2018.

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On October 1, 2011, the Authority issued \$9,285,000 in Series 2011 Hotel Tax Revenue Bonds. The proceeds of \$9,183,007 from the bonds, less \$183,007 in issuance costs, will be used to finance the construction and renovation of the fairgrounds facilities.

On July 30, 2015, the Authority issued \$58,305,000 in Series 2015 Hotel Tax Revenue Refunding Bonds. Total proceeds included \$7,372,124 in premium. Issuance costs were \$242,562. Net proceeds of \$20,007,200 will be used to fund infrastructure improvements. The Series 2015 Hotel Tax Revenue Refunding Bonds defeased \$43,860,000 of Series 2005 Hotel Tax refunding revenue bonds and was used to call \$1,800,000 in Series 2012 Hotel Tax Revenue Bonds.

On October 1, 2018, the Authority issued \$14,400,000 in Series 2018 Hotel Tax Revenue Refunding Bonds. Total proceeds included \$1,778,371 in premium. Issuance costs were \$215,383. Net proceeds of \$16,104,735 defeased \$15,913,804 of Series 2007A Hotel Tax Revenue Bonds.

Bonded Debt Service Requirements to Maturity

Golf System Bonds

Fiscal Year	Private Placement Golf System Series 2010			Golf System Series 2012		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$670,000	\$77,962	\$747,962	\$255,000	\$196,590	\$451,590
2023	690,000	56,543	746,543	265,000	188,790	453,790
2024	715,000	34,413	749,413	275,000	180,690	455,690
2025	735,000	11,576	746,576	280,000	172,365	452,365
2026	-	-	-	290,000	163,815	453,815
2027-2031	-	-	-	1,600,000	667,869	2,267,869
2032-2036	-	-	-	1,905,000	355,008	2,260,008
2037-2038	—	—	—	<u>875,000</u>	<u>33,975</u>	<u>908,975</u>
	<u>\$2,810,000</u>	<u>\$180,494</u>	<u>\$2,990,494</u>	<u>\$5,745,000</u>	<u>\$1,959,102</u>	<u>\$7,704,102</u>

Fairgrounds Bonds

Fiscal Year	Fairgrounds Series 2011			Fairgrounds Series 2015		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$140,000	\$344,544	\$484,544	\$2,995,000	\$2,029,625	\$5,024,625
2023	145,000	339,104	484,104	3,150,000	1,876,000	5,026,000
2024	150,000	333,020	483,020	3,310,000	1,714,500	5,024,500
2025	155,000	326,728	481,728	3,480,000	1,544,750	5,024,750
2026	165,000	320,128	485,128	3,660,000	1,366,250	5,026,250
2027-2031	4,940,000	1,408,931	6,348,931	17,275,000	3,917,375	21,192,375
2032-2036	2,045,000	342,563	2,387,563	3,660,000	1,582,000	5,242,000
2037-2041	<u>465,000</u>	<u>10,463</u>	<u>475,463</u>	<u>4,560,000</u>	<u>506,250</u>	<u>5,066,250</u>
	<u>\$8,205,000</u>	<u>\$3,425,481</u>	<u>\$11,630,481</u>	<u>\$42,090,000</u>	<u>\$14,536,750</u>	<u>\$56,626,750</u>

(continued)

NOTES TO FINANCIAL STATEMENTS
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Fairgrounds Bonds (continued)

Fiscal Year	Fairgrounds Series 2018		
	Principal	Interest	Total
2022	\$190,000	\$678,800	\$868,800
2023	195,000	671,100	866,100
2024	205,000	663,100	868,100
2025	215,000	654,700	869,700
2026	220,000	646,000	866,000
2027-2031	1,235,000	3,093,675	4,328,675
2032-2036	<u>11,785,000</u>	<u>902,875</u>	<u>12,687,875</u>
	<u>\$14,045,000</u>	<u>\$7,310,250</u>	<u>\$21,355,250</u>

Revenue Bonds Outstanding

	Amount Issued	Interest Rate %	Issue Date	Principal Maturity Date	2021	2020
					Balance	Balance
Private placement						
Golf System, Series 2010	\$8,465,000	3.15	09-01-10	10-01-23	\$2,810,000	\$3,460,000
Golf System, Series 2012	7,565,000	0.45 - 3.85	07-11-12	10-01-37	5,745,000	5,995,000
Fairgrounds, Series 2011	9,285,000	2.0 - 4.5	10-01-11	10-01-36	8,205,000	8,340,000
Fairgrounds, Series 2015	58,305,000	3.0 - 5.0	07-30-15	10-01-39	42,090,000	44,940,000
Fairgrounds, Series 2018	14,400,000	3.0 - 5.0	10-01-18	10-01-33	<u>14,045,000</u>	<u>14,225,000</u>
					<u>\$72,895,000</u>	<u>\$76,960,000</u>

Bond Coverage

Golf System Bonds

	2021	2020
Gross revenue, including non-operating revenues and payments from the City	\$11,399,422	\$9,220,176
Direct operating expenses, excluding other post-employment benefit expense, payments to the City, depreciation and amortization	<u>7,779,462</u>	<u>7,089,759</u>
Net revenue available for debt service	<u>\$3,619,960</u>	<u>\$2,130,417</u>
Principal amounts	\$990,000	\$990,000
Interest amounts	<u>215,103</u>	<u>215,103</u>
Total debt service requirements	<u>\$1,205,103</u>	<u>\$1,205,103</u>
Revenue bond coverage	<u>3.00</u>	<u>1.77</u>

The bond indentures require the payment of principal and interest before any other expenditures may be made. Gross revenues and expenses for golf bonds exclude James E. Stewart Golf Course and direct operating expenses exclude administrative payments to the City. In addition, depreciation and amortization expenses are excluded from the direct operating expenses as they do not affect funds available for debt service. Principal and interest is the maximum debt service paid in any year for bond covenants coverage calculations for Series 2012 golf bonds. The required revenue bond coverage is 1.1 for golf bonds.

Fairgrounds Bonds

	<u>2021</u>	<u>2020</u>
Gross revenue, including non-operating revenues and payments from the City	<u>\$10,861,882</u>	<u>\$11,237,472</u>
Principal amounts	\$3,165,000	\$3,015,000
Interest amounts	<u>3,211,306</u>	<u>3,362,044</u>
Total debt service requirements	<u>\$6,376,306</u>	<u>\$6,377,044</u>
Revenue bond coverage	<u>1.70</u>	<u>1.76</u>

Gross revenues for the fairgrounds bonds are 10/11ths of the recognized hotel/motel taxes collected by the City and pledged to the debt. No direct expenses are included as the operations of the fairgrounds are not reported as part of the Authority. There is no required revenue bond coverage for fairground bonds.

III. D. SEGMENT INFORMATION AND PLEDGED REVENUES

The Authority issued revenue bonds to support its golf course activities and fairgrounds improvements. The Authority financial statements report revenue-supported debt. In 2021 and 2020 the Authority recognized \$10,366,596 and \$8,308,069 in golf course revenues excluding James E. Stewart Golf Course, respectively, and \$6,463,622 and \$6,430,806 in hotel/motel tax payments from the City to the Fairgrounds Fund, respectively.

III. E. ARBITRAGE COMPLIANCE

Proceeds from tax-exempt revenue bonds issued after September 1, 1986, are subject to the 1986 Tax Reform Act. The Authority invests, records, and reports these proceeds in the manner set forth by the U.S. Treasury and Internal Revenue Service to maintain the tax-exempt status of the bonds. The Authority did not have an arbitrage liability as of June 30, 2021 and 2020.

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III. F. CHANGES IN LONG-TERM DEBT

2021						
	Balance July 1,	Issued	Retired	Balance June 30, 2021	Due Within One Year	Due After One Year
<i>Primary Authority</i>						
<i>Business-type Activities</i>						
<u>COMPENSATED ABSENCES</u>						
Golf Courses Fund	\$134,288	\$88,923	\$95,750	\$127,461	\$43,256	\$84,205
<u>REVENUE BONDS</u>						
Golf Courses Fund	6,017,280	-	252,223	5,765,057	255,000	5,510,057
Golf Courses Fund						
from private placement	3,460,000	-	650,000	2,810,000	670,000	2,140,000
Fairgrounds Fund	73,087,775	-	3,837,176	69,250,599	3,325,000	65,925,599
Total revenue bonds	82,565,055	-	4,739,399	77,825,656	4,250,000	73,575,656
<u>NET PENSION LIABILITY</u>						
Golf Courses Fund	-	729,031	137,662	591,369	-	591,369
<u>NET OPEB LIABILITY</u>						
Golf Courses Fund	5,315,746	1,185,740	642,542	5,858,944	-	5,858,944
Total business-type activities	88,015,089	2,003,694	5,615,353	84,403,430	4,293,256	80,110,174
Total primary Authority	88,015,089	2,003,694	5,615,353	84,403,430	4,293,256	80,110,174
2020						
	Balance July 1,	Issued	Retired	Balance June 30, 2020	Due Within One Year	Due After One Year
<i>Primary Authority</i>						
<i>Business-type Activities</i>						
<u>COMPENSATED ABSENCES</u>						
Golf Courses Fund	\$169,756	\$65,954	\$101,422	\$134,288	\$45,550	\$88,738
<u>REVENUE BONDS</u>						
Golf Courses Fund	6,259,597	-	242,317	6,017,280	250,000	5,767,280
Golf Courses Fund						
from private placement	4,090,000	-	630,000	3,460,000	650,000	2,810,000
Fairgrounds Fund	76,812,049	-	3,724,274	73,087,775	3,165,000	69,922,775
Total revenue bonds	87,161,646	-	4,596,591	82,565,055	4,065,000	78,500,055
<u>NET OPEB LIABILITY</u>						
Golf Courses Fund	5,849,677	621,232	1,155,163	5,315,746	-	5,315,746
Total business-type activities	93,181,079	687,186	5,853,176	88,015,089	4,110,550	83,904,539
Total primary Authority	93,181,079	687,186	5,853,176	88,015,089	4,110,550	83,904,539

III. G. GUARANTEED DEBT

A guarantee of debt represents a promise to meet any debt service requirements that fall short without the expectation or requirement of benefit to the City. The City has provided a guarantee of the debt for the Authority. Although the guarantee must be approved each year by City Council, the guarantee is required to be intact as part of the debt instrument. The City has not and does not expect to act on any of these guarantees.

	2021		2020	
	Amount Guaranteed (1)	Total Amount Outstanding (2)	Amount Guaranteed (1)	Total Amount Outstanding (2)
<i>Business-Type Activities</i>				
Golf Courses bonded debt	<u>\$1,199,552</u>	<u>\$8,555,000</u>	<u>\$1,202,918</u>	<u>\$9,455,000</u>

- (1) The amount guaranteed is only the amount of debt service due on or before June 30, 2022 and 2021, and covered under the guarantee effective June 30, 2021 and 2020. It is anticipated that the guarantees will be renewed annually.
(2) The amount outstanding does not include interest.

The City has executed an agreement of support which guarantees the City will fund bond reserve requirements for the Series 2012 Golf Courses Revenue Bonds. Under Oklahoma law, the City may only be obligated to transfer up to the end of its fiscal year (June 30) and has no legal obligation or promise to transfer beyond its fiscal year. The debt instruments recognize the limitations set by state law and the City's moral obligation to renew the guarantees. The debt instruments require the City to renew the guarantees annually. The City did not and was not required to fund bond reserve requirements for the Authority in 2021 or any preceding year in which the debt was outstanding.

III. H. DEFERRED INFLOWS OF RESOURCES

Unavailable Revenue

	2021	2020
OKC Dodgers facility Fees	\$402,165	\$319,000
Bricktown ballpark rent	236,000	372,000
Investment earnings	17,961	12,711
Property tax	<u>2,864</u>	<u>4,114</u>
	<u>\$658,990</u>	<u>\$707,825</u>

Deferred Amount on Refunding

Deferred amounts on refundings of bonds results from a difference in the carrying value of refunded debt to its reacquisition price. Deferred amounts on refunding are amortized over the shorter of the life of the refunded or refunding debt. The Fairgrounds Fund reported a deferred amount on refunding related to the refunding of the 2005 Series Hotel Tax Revenue Bonds of \$212,712, less accumulated amortization of \$88,319 at June 30, 2021 and \$73,392 at June 30, 2020.

IV. FUND EQUITY

IV. A. FUND BALANCE

Non-spendable Fund Balance

	<u>2021</u>	<u>2020</u>
Inventories	\$165,005	\$229,124
Prepays	<u>122,496</u>	<u>162,552</u>
	<u>\$287,501</u>	<u>\$391,676</u>

Restricted Fund Balance

	<u>2021</u>	<u>2020</u>
Restricted for TIF districts	\$389,831	\$101,288
Restricted for special improvement districts	105,297	105,309
Restricted for business improvement districts	99,757	99,626
Restricted for Prairie Surf Studios maintenance	69,632	324,179
Restricted for NBA practice facility	928,144	843,522
Restricted for Civic Center improvements	-	5,656
Restricted for Ballpark capital improvements	819,862	774,251
Restricted for Paycom Center capital improvements	813,542	1,469,929
Restricted for Softball Hall of Fame donations	<u>258,619</u>	<u>201,440</u>
	<u>\$3,484,684</u>	<u>\$3,925,200</u>

Committed Fund Balance

	<u>2021</u>	<u>2020</u>
Committed for metropolitan area projects use tax capital projects	<u>\$787,138</u>	<u>\$628,601</u>

Assigned Fund Balance

	<u>2021</u>	<u>2020</u>
Assigned for Metropolitan Area Projects support	\$65,502	\$537,644
Assigned for the centennial land run project	117,363	17,473
Assigned for fairgrounds electricity	129,712	129,568
Assigned for Oklahoma City Redhawks utility reimbursements	32,524	32,458
Assigned for water taxi and canal operations	275,451	269,170
Assigned for non-capital equipment replacement	2,022,072	2,026,726
Assigned for ASM operations	4,937,110	2,401,687
Assigned for NBA practice facility	12,744	12,730
Assigned for Oklahoma River sediment removal	421,417	248,683
Assigned for General Purpose Fund encumbrances	<u>657,842</u>	<u>347,728</u>
	<u>\$8,671,737</u>	<u>\$6,023,867</u>

(continued)

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Fund Balance (continued)

Unassigned

	2021	2020
Unassigned	<u>\$1,585,301</u>	<u>\$449,411</u>

IV. B. NET POSITION

Net Investment in Capital Assets

	2021			2020		
	<i>Governmental</i>	<i>Business-type</i>	<i>Total</i>	<i>Governmental</i>	<i>Business-type</i>	<i>Total</i>
	<i>Activities</i>	<i>Activities</i>		<i>Activities</i>	<i>Activities</i>	
Capital assets, net	\$72,635,689	\$46,544,683	\$119,180,372	\$76,020,036	\$50,416,014	\$126,436,050
Retainages and capital related						
accounts payable	-	(37,498)	(37,498)	-	(101,771)	(101,771)
Bonds payable, net	-	(77,825,656)	(77,825,656)	-	(82,565,055)	(82,565,055)
Deferred amount on refunding	-	16,856	16,856	-	13,530	13,530
Bond accounts funded with						
bond proceeds	-	1,795,277	1,795,277	-	2,198,621	2,198,621
Bond issuance costs paid from						
bond proceeds	-	731,930	731,930	-	731,930	731,930
	<u>\$72,635,689</u>	<u>(\$28,774,408)</u>	<u>\$43,861,281</u>	<u>\$76,020,036</u>	<u>(\$29,306,731)</u>	<u>\$46,713,305</u>

Restricted for Capital Projects

	2021			2020		
	<i>Governmental</i>	<i>Business-type</i>	<i>Total</i>	<i>Governmental</i>	<i>Business-type</i>	<i>Total</i>
	<i>Activities</i>	<i>Activities</i>		<i>Activities</i>	<i>Activities</i>	
Sports facility sales tax capital projects	\$2,152,450	\$ -	\$2,152,450	\$1,938,673	\$ -	\$1,938,673
Bond construction account	-	1,339,590	1,339,590	-	1,742,934	1,742,934
Bond construction account funded with						
bond proceeds	-	(1,339,590)	(1,339,590)	-	(1,742,934)	(1,742,934)
Restricted for other capital projects	<u>259,255</u>	<u>-</u>	<u>259,255</u>	<u>207,563</u>	<u>-</u>	<u>207,563</u>
	<u>\$2,411,705</u>	<u>\$-</u>	<u>\$2,411,705</u>	<u>\$2,146,236</u>	<u>\$-</u>	<u>\$2,146,236</u>

Restricted for Debt Service

	2021			2020		
	<i>Governmental</i>	<i>Business-type</i>	<i>Total</i>	<i>Governmental</i>	<i>Business-type</i>	<i>Total</i>
	<i>Activities</i>	<i>Activities</i>		<i>Activities</i>	<i>Activities</i>	
Bond principal and interest accounts	\$ -	\$4,067,740	\$4,067,740	\$ -	\$3,974,484	\$3,974,484
Bond reserve accounts	-	1,261,328	1,261,328	-	1,261,126	1,261,126
Bond reserve funded with bond proceed	-	(455,689)	(455,689)	-	(455,689)	(455,689)
Current bond interest payable	<u>-</u>	<u>(855,755)</u>	<u>(855,755)</u>	<u>-</u>	<u>(901,357)</u>	<u>(901,357)</u>
	<u>\$-</u>	<u>\$4,017,624</u>	<u>\$4,017,624</u>	<u>\$-</u>	<u>\$3,878,564</u>	<u>\$3,878,564</u>

(continued)

Net Position (continued)

Restricted for Culture and Recreation

	2021			2020		
	<i>Governmental</i>	<i>Business-type</i>	<i>Total</i>	<i>Governmental</i>	<i>Business-type</i>	<i>Total</i>
	<i>Activities</i>	<i>Activities</i>		<i>Activities</i>	<i>Activities</i>	
Restricted for Prairie Surf Studios maintenance	\$90,808	\$ -	\$90,808	\$417,692	\$ -	\$417,692
Restricted for Paycom Center Arena capital improvements	814,723	-	814,723	1,471,428	-	1,471,428
	<u>\$905,531</u>	<u>\$-</u>	<u>\$905,531</u>	<u>\$1,889,120</u>	<u>\$-</u>	<u>\$1,889,120</u>

Restricted for Public Services

	2021			2020		
	<i>Governmental</i>	<i>Business-type</i>	<i>Total</i>	<i>Governmental</i>	<i>Business-type</i>	<i>Total</i>
	<i>Activities</i>	<i>Activities</i>		<i>Activities</i>	<i>Activities</i>	
Restricted for TIF districts	\$3,191	\$ -	\$3,191	\$3,187	\$ -	\$3,187
Restricted for business improvement districts	453,928	-	453,928	172,514	-	172,514
	<u>\$457,119</u>	<u>\$-</u>	<u>\$457,119</u>	<u>\$175,701</u>	<u>\$-</u>	<u>\$175,701</u>

Unrestricted

	2021			2020		
	<i>Governmental</i>	<i>Business-type</i>	<i>Total</i>	<i>Governmental</i>	<i>Business-type</i>	<i>Total</i>
	<i>Activities</i>	<i>Activities</i>		<i>Activities</i>	<i>Activities</i>	
Unrestricted	<u>\$8,825,123</u>	<u>\$622,277</u>	<u>\$9,447,400</u>	<u>\$5,062,799</u>	<u>(\$581,170)</u>	<u>\$4,481,629</u>

IV. C. DEFICIT FUND NET POSITION AND FUND BALANCE

Deficits resulting from accrual reporting do not constitute violations of Oklahoma State Statutes.

Deficit Fund Net Position

OCPPA Fairgrounds

Deficit net position at June 30, 2021 and 2020 of \$22,850,079 and \$22,882,877, respectively, is the result of depreciation of capital assets as construction projects are completed.

OCPPA Golf Courses

Deficit net position at June 30, 2021 and 2020 of \$1,319,852 and \$3,169,127, respectively, is the result of significant debt financing of capital assets with tight operating budgets.

V. REVENUES AND EXPENSES

V. A. LEASE REVENUES

The Authority leases digital antenna system sectors in Prairie Surf Studios and the Paycom Center to various mobile data coverage providers. The providers pay an annual license fee per each sector leased inside of the building to enhance the data coverage for the facility. The leases are paid annually under a five year initial agreement with an additional renewal agreement of five years available at the commencement of the first agreement. These leases are non-cancelable operating leases. Rental income through June 30, 2021 and 2020 was \$753,601 and \$713,718, respectively.

In July 2009, OCPPA and the Professional Basketball Club, LLC entered into a fifteen year lease agreement for the use of a National Basketball Association practice facility. There are five renewal terms of three years each. The annual rental income is \$100,000 which is subject to adjustment beginning with the commencement of the sixth operating year. Adjustments are based upon increases in the consumer price index capped at 3% annually.

In September 2014, The OKC TransitionCO acquired the rights and responsibilities of a sublease for the Chickasaw Bricktown Ballpark from the Oklahoma City Athletic Club. The sublease is subject to the terms of a financing agreement to provide for the continued operations and maintenance of the Ballpark. The sublease requires annual rent equal to the greater of 7% of paid admissions for all events or \$200,000. Rentals are deposited by the Authority in a capital improvements account designated for future Ballpark capital improvements. However, due to the COVID pandemic and the resulting unprecedented loss of revenue, by amendment of the sublease agreement on July 20, 2021, the calendar year 2020 rent was reduced to \$25,000.

Minimum Rentals on Non-Cancelable Leases

2022	\$968,195
2023	764,044
2024	593,350
2025	<u>36,932</u>
	<u>\$2,362,521</u>
Rental income (1)	<u>\$1,116,910</u>

(1) Rental income does not include revenues received for golf cart rentals.

VI. INTERFUND TRANSACTIONS

All activity between governmental and business-type activities are eliminated and any residual balances outstanding between the activities are reported in the Authority-wide financial statements as internal balances.

VI. A. INTERFUND BALANCES

Due Within the Golf Courses

Amounts due within the golf courses represent unpaid balances from the golf courses to the golf system for daily revenue surcharges, equipment fund, operating reserve and administrative charges for equipment purchases, additional expenses, and debt service payments.

(continued)

Due Within the Golf Courses (continued)

		2021					
		DUE TO					
		Golf Courses Fund					
DUE FROM	Lake Hefner Golf Course	Lincoln Park Golf Course	Trosper Park Golf Course	Earlywine Park Golf Course	James Stewart	Golf Course System	Total
Lake Hefner	\$ -	(\$1,736)	\$ -	\$ -	\$ -	(\$37,376)	(\$39,112)
Lincoln	1,736	-	772	1,479	386	(52,554)	(48,181)
Trosper	-	(772)	-	-	(7,864)	(14,210)	(22,846)
Earlywine	-	(1,479)	-	-	-	(34,640)	(36,119)
James Stewart	-	(386)	7,864	-	-	-	7,478
Golf Course System	<u>37,376</u>	<u>52,554</u>	<u>14,210</u>	<u>34,640</u>	<u>-</u>	<u>-</u>	<u>138,780</u>
	<u>\$39,112</u>	<u>\$48,181</u>	<u>\$22,846</u>	<u>\$36,119</u>	<u>(\$7,478)</u>	<u>(\$138,780)</u>	<u>\$ -</u>

		2020					
		DUE TO					
		Golf Courses Fund					
DUE FROM	Lake Hefner Golf Course	Lincoln Park Golf Course	Trosper Park Golf Course	Earlywine Park Golf Course	James Stewart	Golf Course System	Total
Lake Hefner	\$ -	(\$1,943)	\$21	\$ -	\$ -	(\$51,204)	(\$53,126)
Lincoln	1,943	-	970	2,306	432	(62,003)	(56,352)
Trosper	(21)	(970)	-	-	(3,985)	(13,695)	(18,671)
Earlywine	-	(2,306)	-	-	-	(37,676)	(39,982)
James Stewart	-	(432)	3,985	-	-	-	3,553
Golf Course System	<u>51,204</u>	<u>62,003</u>	<u>13,695</u>	<u>37,676</u>	<u>-</u>	<u>-</u>	<u>164,578</u>
	<u>\$53,126</u>	<u>\$56,352</u>	<u>\$18,671</u>	<u>\$39,982</u>	<u>(\$3,553)</u>	<u>(\$164,578)</u>	<u>\$ -</u>

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Payable To/Receivable From the City

		2021				
		<i>Governmental Activities</i>		<i>Business-Type Activities</i>		
		General	Golf Courses	Fairgrounds	Financial	Total
Purpose	Purpose Fund	Purpose Fund	Fund	Fund	Services Fund	
Receivable From						
OCMFA Services Fund	Operating Expenses	\$ -	\$1,640	\$ -	\$ -	\$1,640
Improvements Fund	Unspent Transfers	<u>27,281</u>	-	-	-	-
		<u>\$27,281</u>	<u>\$1,640</u>	<u>\$-</u>	<u>\$-</u>	<u>\$1,640</u>
Payable To						
<u>CURRENT</u>						
City General Fund	Administrative charges and utilities	\$442,338	\$199,173	\$ -	\$ -	\$199,173
	TIF district #6 payable	60,387	-	-	-	-
City Special Districts (BID)	Cost reimbursement	205,054	-	-	-	-
City Schools Use Tax Fund	Hockey payable	166,235	-	-	-	-
OCMFA Services Fund	Golf cart payable	-	<u>37,114</u>	-	-	<u>37,114</u>
		<u>\$874,014</u>	<u>\$236,287</u>	<u>\$-</u>	<u>\$-</u>	<u>\$236,287</u>
<u>NON-CURRENT</u>						
City General Fund	TIF district #6 payable	\$582,862	\$ -	\$ -	\$ -	\$ -
City Schools Use Tax Fund	Hockey payable	1,861,335	-	-	-	-
OCMFA Services Fund	Golf cart payable	-	<u>31,482</u>	-	-	<u>31,482</u>
		<u>\$2,444,197</u>	<u>\$31,482</u>	<u>\$-</u>	<u>\$-</u>	<u>\$31,482</u>

(continued)

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Payable To/Receivable From the City (continued)

		2020				
		<i>Governmental</i>	<i>Business-Type Activities</i>			
		<i>Activities</i>				
	<u>Purpose</u>	<u>General</u>	<u>Golf Courses</u>	<u>Fairgrounds</u>	<u>Financial</u>	<u>Total</u>
		<u>Purpose Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Services Fund</u>	
Receivable From						
Special Revenue Fund	Operating Expenses	-	29,148	67,888	-	97,036
Improvements Fund	Unspent Transfers	<u>32,680</u>	-	-	-	-
		<u>\$32,680</u>	<u>\$29,148</u>	<u>\$67,888</u>	<u>\$-</u>	<u>\$97,036</u>
Payable To						
<u>CURRENT</u>						
City General Fund	Administrative charges and utilities	\$585,029	\$165,064	\$75,113	\$ -	\$240,177
	TIF district #6 payable	59,274	-	-	-	-
City Special Districts (BID)	Cost reimbursement	204,935	-	-	-	-
City Schools Use Tax Fund	Hockey payable	84,867	-	-	-	-
OCMFA Services Fund	Golf cart payable	-	36,333	-	-	36,333
	Golf pro health ins	-	<u>45,016</u>	-	-	<u>45,016</u>
		<u>\$934,105</u>	<u>\$246,413</u>	<u>\$75,113</u>	<u>\$-</u>	<u>\$321,526</u>
<u>NON-CURRENT</u>						
City General Fund	TIF district #6 payable	\$642,313	\$ -	\$ -	\$ -	\$ -
City Schools Use Tax Fund	Hockey payable	1,861,334	-	-	-	-
OCMFA Services Fund	Golf cart payable	-	<u>68,463</u>	-	-	<u>68,463</u>
		<u>\$2,503,647</u>	<u>\$68,463</u>	<u>\$-</u>	<u>\$-</u>	<u>\$68,463</u>

Advances Within the City

TIF District #6 Payable

On October 14, 2008, the Authority received \$1,031,653 from the City City and Schools Use Tax Fund. The funds were used to repay the line of credit related to TIF District #6. The loan was repaid by the City General Fund and the General Purpose Fund over a seven year period at an interest rate of 2%. The City General Fund will now be repaid over the next ten years with an interest rate of 0.25%. The balance of the loan at June 30, 2021 and 2020, is \$642,312 and \$937 of accrued interest and \$700,420 and \$1,167 of accrued interest, respectively.

Cost Reimbursement Payable To City Special Districts Fund

The City Special Districts Fund assesses property owners to fund services that confer a special benefit upon property within a designated district, such as street sweeping and landscaping. The contracts for these services are managed by the Authority and reimbursed by the City Special Districts Fund. The advance represents funds received in excess of funds expended at June 30, 2021 and 2020.

	<u>2021</u>	<u>2020</u>
Beginning balance	\$204,935	\$117,010
Other services	-	81,680
Investment income	<u>119</u>	<u>6,245</u>
	<u>\$205,054</u>	<u>\$204,935</u>

Hockey Payable

On February 16, 2010, the Authority received \$3,200,000 from the City and School Use Tax Fund. The funds are to be used for the Prairie Surf Studios (formerly Cox Convention Center) facility renovations and upgrade. The loan is to be repaid from revenues generated and collected by ASM under the extended use license agreement with Prodigal Hockey, LLC and from other Prairie Surf Studios events. The replenishment to the City and Schools Capital Projects Use Tax Fund has an interest rate of 4.19%. Initially, it was anticipated that the amount would be repaid by 2020, however, due to decreased hockey ticket sales, this estimate has been changed to 2038. The balance of the loan at June 30, 2021 and 2020, is \$1,941,966 and \$85,604 of accrued interest and \$1,941,966 and \$4,235 of accrued interest, respectively.

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Golf Cart Payable

On January 13, 2015, the Authority received \$1,088,943 from the OCMFA Services Fund worker's compensation reserves. The funds were used for the purchase of 280 golf carts for Lake Hefner and Lincoln Park Golf Courses. The loan has an interest rate of 2.26% and will be repaid over a 5-year period. On March 13, 2018, the Authority received \$180,080 from the OCMFA Services Fund worker's compensation reserves. The funds were used to purchase 70 golf carts for Trospen Park Golf Course. The loan has an interest rate of 2.33% and will be repaid over a 5-year period. The balance of the loans at June 30, 2021 and 2020, are \$68,463 and \$133 of accrued interest and \$104,593 and \$203 of accrued interest, respectively. The loans were made to the 3 golf courses as follows:

Lake Hefner Golf Course	\$462,809
Lincoln Park Golf Course	626,134
Trospen Park Golf Course	180,050

Annual Payment Requirements to Maturity

Fiscal Year	TIF District #6 Payable			Hockey Payable			Golf Cart Payable		
	City General Fund			City and Schools Use Tax Fund			OCMFA Services		
	Principal	Interest	Total	Principal (1)	Interest	Total	Principal	Interest	Total
2022	\$59,450	\$1,606	\$61,056	\$164,642	\$162,736	\$327,378	\$36,981	\$1,202	\$38,183
2023	60,820	1,457	62,277	87,530	77,990	165,520	31,482	337	31,819
2024	62,217	1,305	63,522	91,198	74,470	165,668	-	-	-
2025	64,850	1,150	66,000	95,019	70,802	165,821	-	-	-
2026	65,013	987	66,000	99,000	66,981	165,981	-	-	-
2027-2031	329,962	2,491	332,453	560,808	271,743	832,551	-	-	-
2032-2036	-	-	-	688,566	149,125	837,691	-	-	-
2037-2038	-	-	-	155,203	19,259	174,462	-	-	-
	\$642,312	\$8,996	\$651,308	\$1,941,966	\$893,106	\$2,835,072	\$68,463	\$1,539	\$70,002

(1) Payment was not made in 2021, therefore, 2022 includes both 2021 and 2022 scheduled principal payments.

VI. B. INTERFUND TRANSFERS AND PAYMENTS

Transfers Within the Golf Courses

Transfers within the golf courses include operating transfers for daily surcharges on golf rounds played. Additionally transfers include operating reserve, equipment fund and administrative charges from each course to the golf system for additional expenses, new equipment purchases and water expenses from the City.

	2021						
	Golf Courses Fund						
	Lake Hefner Golf Course	Lincoln Park Lincoln Park	Trospen Park Golf Course	Earlywine Park Golf Course	James E. Stewart Golf Course	Golf Course System	Total
Lake Hefner	\$ -	\$ -	\$ -	\$ -	\$ -	\$564,413	\$564,413
Lincoln	-	-	-	-	-	878,543	878,543
Trospen	-	-	-	-	-	151,485	151,485
Earlywine	-	-	-	-	-	493,869	493,869
Golf System	(564,413)	(878,543)	(151,485)	(493,869)	-	-	(2,088,310)
	<u>(\$564,413)</u>	<u>(\$878,543)</u>	<u>(\$151,485)</u>	<u>(\$493,869)</u>	<u>\$ -</u>	<u>\$2,088,310</u>	<u>\$ -</u>

(continued)

Transfers Within the Golf Courses (continued)

	2020						Total
	Golf Courses Fund						
	Lake Hefner Golf Course	Lincoln Park Lincoln Park	Trosper Park Golf Course	Earlywine Park Golf Course	James E. Stewart Golf Course	Golf Course System	
Lake Hefner	\$ -	\$ -	\$ -	\$ -	\$ -	\$508,495	\$508,495
Lincoln	-	-	-	-	-	556,365	556,365
Trosper	-	-	-	-	-	78,467	78,467
Earlywine	-	-	-	-	-	207,043	207,043
Golf System	(508,495)	(556,365)	(78,467)	(207,043)	-	-	(1,350,370)
	<u>(\$508,495)</u>	<u>(\$556,365)</u>	<u>(78,467)</u>	<u>(207,043)</u>	<u>\$ -</u>	<u>\$1,350,370</u>	<u>\$ -</u>

Payments To/From the City

	2021				Total
	Purpose	Governmental	Business-type Activities		
		Activities	Golf Courses	Fairgrounds	
		General	Fund	Fund	
<u>PAYMENT FROM</u>		<u>Purpose Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Total</u>
City General Fund	Operating subsidies	\$13,897,145	\$1,288,741	\$ -	\$1,288,741
City Capital Improvement	Capital projects	4,068,530	-	-	-
Stormwater Fund	OK River dredging	1,000,000	-	-	-
City Hotel/Motel Tax Fund	Fairgrounds debt service	-	-	6,463,622	6,463,622
		<u>\$18,965,675</u>	<u>\$1,288,741</u>	<u>\$6,463,622</u>	<u>\$7,752,363</u>

	2020				Total
	Purpose	Governmental	Business-type Activities		
		Activities	Golf Courses	Fairgrounds	
		General	Fund	Fund	
<u>PAYMENT FROM</u>		<u>Purpose Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Total</u>
City General Fund	Operating subsidies	\$11,281,971	\$1,180,477	\$ -	\$1,180,477
City Capital Improvement	Capital projects	1,493,980	-	-	-
Stormwater Fund	OK River dredging	2,500,000	-	-	-
City Hotel/Motel Tax Fund	Fairgrounds debt service	-	-	6,430,806	6,430,806
		<u>\$15,275,951</u>	<u>\$1,180,477</u>	<u>\$6,430,806</u>	<u>\$7,611,283</u>

Dependency on the City

For the year ended June 30, 2021, governmental activities include operating subsidies for ASM management operations, utilities, and facility maintenance in the amount of \$16,736,506, management fees for the Civic Center Foundation and OKC Public Tennis, LLC of \$773,500 and \$40,000 respectively, Oklahoma River sediment dredging of \$1,000,000, landrun sculpture expenses of \$100,000, OKC Blvd parcel purchase of \$278,134, and additional subsidies for audit fees and hanger lease expenses of \$86,687. For the year ended June 30, 2020, governmental activities include operating subsidies for SMG management operations, utilities, and facility maintenance in the amount of \$10,587,597, management fees for the Civic Center Foundation and OKC Public Tennis, LLC of \$850,000 and \$40,000 respectively, convention center and arena capital improvements of \$1,193,980, Oklahoma River sediment dredging of \$2,500,000 and additional subsidies for audit fees and hanger lease expenses of \$104,374.

Business-type activities include a subsidy from the City for the cost of water and wastewater services to the Golf Courses Fund. For the fiscal years ended June 30, 2021 and 2020, the City General Fund provided \$1,029,741 and \$834,206, respectively, to cover these costs. James E. Stewart Golf Course received a subsidy from the City General Fund in the amount of \$259,000 and \$346,271, respectively, for operating expenses. In addition, the City Hotel/Motel Tax Fund provides funds for debt service on the fairgrounds bonds.

VI. C. OTHER INTERFUND TRANSACTIONS

Administrative Charges

On August 26, 2003, the Authority increased green fees of \$0.25 to \$0.50 and annual green fees \$25.00 to \$62.50. This fee will reimburse a portion of funds necessary to finance various City administrative costs and water payments associated with the operation of the golf courses. On May 31, 2016, the Authority approved the extension of the fee through June 30, 2017. On February 13, 2018, the Authority approved the extension through June 30, 2018. On May 22, 2018, the Authority approved the extension through June 30, 2019. On June 18, 2019, the Authority approved the extension through June 30, 2020 and on July 7, 2020, the Authority approved the extension through June 30, 2021. The revenue generated from the fee extensions will be deposited into each golf course operations account and paid to the City's General Fund. As of June 30, 2021 and 2020 the charges are as follows:

	<u>2021</u>	<u>2020</u>
Lake Hefner	\$26,617	\$22,722
Lincoln	30,853	23,974
Trospen	13,474	8,515
Earlywine	<u>20,351</u>	<u>16,264</u>
	<u>\$91,295</u>	<u>\$71,475</u>

In 2012, the Authority hired a Trust Specialist to manage the overall operations of the golf courses. The Trust Specialist is an employee of the City. The golf courses reimburse the City for the Trust Specialist's salary. As of June 30, 2021 and 2020 the reimbursements to the City are as follows:

	<u>2021</u>	<u>2020</u>
Lake Hefner	\$27,361	\$24,402
Lincoln	27,361	24,402
Trospen	13,681	12,201
Earlywine	<u>27,361</u>	<u>24,402</u>
	<u>\$95,764</u>	<u>\$85,407</u>

VII. PENSION PLANS

VII. A. DEFINED BENEFIT PENSION PLAN

VII. A. 1. OKLAHOMA CITY EMPLOYEE RETIREMENT SYSTEM (OCERS)

Plan Description

The OCERS was established by city council ordinance in 1958 to hold funds in trust to provide pension, disability and survivor benefits to its members. The system provides retirement benefits for substantially all full-time employees of the Authority.

OCERS is the administrator of a single employer defined benefit local government retirement plan for the City of Oklahoma City. Unless otherwise indicated, the information in this note is for both the valuation dates December 31, 2019 and 2018. The information presented in this note as of June 30, 2020 and 2019 measurement dates will be reported in the financial statements of the authority as of June 30, 2021 and 2020. Actuarial valuations are performed annually.

The required supplementary information defined benefit pension schedules immediately following the notes to the financial statements presents certain ten-year trend information for as many available years in accordance with the requirements of GASB 68. Detailed information about OCERS Retirement Plans' fiduciary net position is available in the separately issued OCERS report. A copy of the actuarial report referred to in this note may be obtained from the City Finance Department, Accounting Services Division, 100 N. Walker, Suite 300, Oklahoma City, Oklahoma 73102.

Benefit Provisions

OCERS employees hired prior to March 1, 1967 are entitled to receive benefits with 30 years of credited service, regardless of age or age 60 with 20 years of service. Employees hired after March 1, 1967 are entitled to receive benefits with 25 years of credited service, regardless of age or age 65 with 5 years of service. Any employee age 55 with 5 years on a reduced basis are entitled to pension benefits. Benefit provisions include both duty and non-duty disability retirement and death benefits. Average Final Compensation (AFC) determines the retirement benefit and is calculated as the highest 36 months of earned employee compensation (excluding compensation for unused vacation and sick leave and amounts elected to be deferred under Section 125 of the Internal Revenue Code) during the last 60 months of service. Generally, the normal retirement benefit is 2% of AFC for each full year of service, plus 1/12 of 2% for each whole month of a partial year of service to a maximum of 100% of AFC. There are modifications to the normal retirement benefit for early and deferred retirement, duty and non-duty disability, and death benefits. Cost of living adjustments are compounded annually and increases must be approved by the board.

Employees Covered By Benefit Terms

	<u>2021</u>	<u>2020</u>
Retirees and beneficiaries currently receiving benefits	1,652	1,595
Inactive plan members entitled to but not yet receiving benefits.	151	140
Active employees	<u>2,470</u>	<u>2,457</u>
Total Plan Members	<u>4,273</u>	<u>4,192</u>

Contributions

Contribution requirements are actuarially determined and established by City Council ordinance. Beginning July 1, 2020, the employer contribution rate changed from 5.23% of covered payroll to 5.56% of covered payroll. Beginning July 1, 2019, the employer contribution rate changed from 5.28% of covered payroll to 5.23% of covered payroll. The employee contributes 6.00% of covered payroll. Administrative costs are funded with investment earnings.

VII. A. 2. NET PENSION ASSET/LIABILITY

Actuarial Assumptions

The total pension asset and liability actuarial valuation was determined using the following actuarial assumptions, applied to periods included in the measurement:

Price Inflation Rate	2.25%
Wage inflation (1)	3.00%
Salary increases (2)	3.00%
Post-Retirement COLA	2.00%
Investment ROR (3)	7.00%

(1) The wage inflation rate changed from 3.25% in FY20 to 3.00% in FY21.

(2) The salary increases changed from 3.25% in FY20 to 3.00% in FY21.

(3) The investment rate of return changed from 7.10% in FY20 to 7.00% in FY21.

Mortality rates were based on the RP-2014 Blue Collar Healthy Annuitant Combined Mortality Table projected to 2025 using scale MP-2016.

The actuarial assumptions were based on the results of an experience study for this Retirement system covering the period January 1, 2014 through December 31, 2018 dated as provided in our report dated January 20, 2020.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future.

Long-term Expected Rate of Return and Target Allocations

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. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation.

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY

	Long-term Expected Rate of Return			Target Allocation	
	2021	2020		2021	2020
Core Bonds	2.60%	2.62%	Domestic	50.00%	50.00%
Core Plus	2.87	2.89	International	10.00	10.00
Global Bonds	2.37	2.43	Fixed income	25.00	25.00
Absolute Return	4.25	4.25	Real estate	15.00	15.00
U.S. Large Cap Equity	7.14	7.20			
U.S. Small Cap Equity	8.43	8.41			
International Developed Equity	8.14	8.14			
Emerging Market Equity	9.48	9.39			
Long/Short Equity	5.46	5.64			
Private Equity	10.42	10.40			
Core Real Estate	6.73	6.79			
Opportunistic Real Estate	9.73	9.79			

Concentrations

The Plan held no individual investments (other than U.S. government and U.S. government guaranteed obligations) whose market value exceeds 5% or more of net assets available for benefits. There are no long-term contracts for contributions.

Discount Rate

A single discount rate of 7% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7%. The projections of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the actuarially determined contributions rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate changed from 7.1% in 2020 to 7.0% in 2021. There was no change in 2020.

Changes in Net Pension Asset/Liability

	2021					
	Total Pension Liability		Plan Fiduciary Net Position		Net Pension Asset (Liability)	
	OCERS	Authority Share	OCERS	Authority Share	OCERS	Authority Share
Beginning balance	\$745,828,629	\$11,336,595	\$755,496,293	\$11,483,543	\$9,667,664	\$146,948
Service cost	17,489,779	218,622	-	-	(17,489,779)	(218,622)
Interest	52,132,363	651,655	-	-	(52,132,363)	(651,655)
Differences between expected and actual experience	(1,540,628)	(19,258)	-	-	1,540,628	19,258
Changes of assumptions	34,457,895	430,724	-	-	(34,457,895)	(430,724)
Contributions - employer	-	-	7,756,180	96,952	7,756,180	96,952
Contributions - employee	-	-	8,345,116	104,314	8,345,116	104,314
Net investment income	-	-	29,885,098	373,564	29,885,098	373,564
Differences between benefit payments and refunds	(40,629,773)	(507,872)	(40,629,773)	(507,872)	-	-
Administrative expense	-	-	(468,557)	(5,857)	(468,557)	(5,857)
Other changes	-	(2,013,738)	44,383	(2,039,285)	44,383	(25,547)
	<u>\$807,738,265</u>	<u>\$10,096,728</u>	<u>\$760,428,740</u>	<u>\$9,505,359</u>	<u>(\$47,309,525)</u>	<u>(\$591,369)</u>

Changes in Net Pension Asset/Liability (continued)

	2020					
	<u>Total Pension Liability</u>		<u>Plan Fiduciary Net Position</u>		<u>Net Pension Asset (Liability)</u>	
	<u>OCERS</u>	<u>Authority Share</u>	<u>OCERS</u>	<u>Authority Share</u>	<u>OCERS</u>	<u>Authority Share</u>
Beginning balance	\$711,681,455	\$12,191,651	\$739,589,878	\$12,669,744	\$27,908,423	\$478,093
Service cost	17,109,500	260,064	-	-	(17,109,500)	(260,064)
Interest	49,808,281	757,086	-	-	(49,808,281)	(757,086)
Differences between expected and actual experience	4,651,637	70,705	-	-	(4,651,637)	(70,705)
Contributions - employer	-	-	7,028,090	106,827	7,028,090	106,827
Contributions - employee	-	-	8,055,203	122,439	8,055,203	122,439
Net investment income	-	-	38,627,553	587,139	38,627,553	587,139
Differences between benefit payments and refunds	(37,422,244)	(568,818)	(37,422,244)	(568,818)	-	-
Administrative expense	-	-	(481,486)	(7,319)	(481,486)	(7,319)
Other changes	-	(1,374,093)	99,299	(1,426,469)	99,299	(52,376)
	<u>\$745,828,629</u>	<u>\$11,336,595</u>	<u>\$755,496,293</u>	<u>\$11,483,543</u>	<u>\$9,667,664</u>	<u>\$146,948</u>

A net pension asset is reported when a plan's net position exceeds the plan's total pension liability. Whereas a net pension liability is reported when a plan's total pension liability exceeds the plan's net position. The Authority's share of the net pension asset/liability is allocated using the Authority share of employer contributions for the last payroll in the fiscal year. The Authority's share is 1.25% and 1.52% for 2021 and 2020, respectively.

	<u>2021</u>	<u>2020</u>
Net pension asset (liability)	(\$47,309,525)	\$9,667,664
Authority share	(591,369)	146,948

Sensitivity of Net Pension Liability to Changes in the Discount Rate

	2021				
	<u>Rate</u>	<u>Total Pension (Liability)</u>		<u>Net Pension Asset (Liability)</u>	
		<u>OCERS</u>	<u>Authority Share</u>	<u>OCERS</u>	<u>Authority Share</u>
1% decrease	6.00%	(\$911,492,892)	(\$11,393,661)	(\$151,064,152)	(\$1,888,302)
Current single discount rate	7.00	(807,738,265)	(10,096,728)	(47,309,525)	(591,369)
1% increase	8.00	(721,302,356)	(9,016,279)	39,126,384	489,080

	2020				
	<u>Rate</u>	<u>Total Pension Liability</u>		<u>Net Pension Asset (Liability)</u>	
		<u>OCERS</u>	<u>Authority Share</u>	<u>OCERS</u>	<u>Authority Share</u>
1% decrease	6.10%	(\$835,782,272)	(\$12,703,891)	(\$80,285,979)	(\$1,220,347)
Current single discount rate	7.10	(745,828,629)	(11,336,595)	9,667,664	146,948
1% increase	8.10	(669,964,474)	(10,183,460)	85,531,819	1,300,084

**VII. A. 3. PENSION EXPENSE AND DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES
RELATED TO PENSIONS**

Pension Expense

The Authority reported \$308,859 and \$275,359 in pension expense which includes costs related to employee participation in OCERS at June 30, 2021 and 2020, respectively.

Pension Deferred Outflows and Inflows

Deferred Outflows / Inflows of resources represents the following items that have not been recognized in the pension expense:

1. Differences between expected and actual experience of the pension plan.
2. Changes of assumptions.
3. Difference between projected and actual earnings in pension plan investments.

The initial amortization period for the first two items noted above is based on the average future service to retirement while the difference between projected and actual earnings in pension plan investment is amortized over five years. All balances are amortized linearly on a principal only basis and new bases will be created annually for each of the items above.

	2021			
	Total Plan		Total Authority	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Current year contributions -				
Employer	\$9,678,624	\$ -	\$120,983	\$ -
Difference between expected and actual experience	3,180,391	12,701,218	39,755	158,765
Changes in assumptions	39,220,446	-	490,256	-
Net difference between projected and actual earnings on pension plan investments	<u>18,221,421</u>	<u>-</u>	<u>227,768</u>	<u>-</u>
	<u>\$70,300,882</u>	<u>\$12,701,218</u>	<u>\$878,762</u>	<u>\$158,765</u>
	2020			
	Total Plan		Total Authority	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Current year contributions -				
Employer	\$7,756,180	\$ -	\$117,896	\$ -
Difference between expected and actual experience	3,916,014	16,742,463	59,523	254,484
Changes in assumptions	13,731,288	-	208,716	-
Net difference between projected and actual earnings on pension plan investments	<u>6,991,513</u>	<u>-</u>	<u>106,271</u>	<u>-</u>
	<u>\$32,394,995</u>	<u>\$16,742,463</u>	<u>\$492,406</u>	<u>\$254,484</u>

Deferred outflows of resources related to pension resulting from the employer contributions of \$120,983 and \$117,896 subsequent to the measurement date will be recognized as a reduction of the net pension liability for the years ending June 30, 2022 and 2021, respectively.

Deferred Inflows of Resources and Deferred Outflows of Resources to be Recognized in Future Pension Expense

	<u>2021</u>			<u>2020</u>	
	<u>OCERS</u>	Authority <u>Share</u>		<u>OCERS</u>	Authority <u>Share</u>
2022	\$5,539,580	\$69,245	2021	\$5,908,687	\$89,812
2023	11,238,947	140,487	2022	(4,313,632)	(65,567)
2024	13,454,258	168,178	2023	1,385,735	21,063
2025	10,929,829	136,623	2024	3,601,046	54,736
2026	5,517,247	68,966	2025	1,076,617	16,365
Thereafter	<u>1,241,179</u>	<u>15,515</u>	Thereafter	<u>237,899</u>	<u>3,617</u>
	<u>\$47,921,040</u>	<u>\$599,014</u>		<u>\$7,896,352</u>	<u>\$120,026</u>

VII. B. DEFINED CONTRIBUTION PLANS

The Authority participates in two defined contribution plans administered by the International City Manager’s Association Retirement Corporation. Plan provisions and contribution requirements are established or amended by City Council resolution. The plans are money purchase plans qualified under section 401 of the Internal Revenue Code.

Participants of the first plan are comprised of eligible employees hired before September 1, 2001. The City and participants are required to contribute 8.35% and 6.0% of annual covered payroll, respectively. Participants of the first plan vest at service inception and are entitled to 100% of vested contributions

Participants of the second plan are comprised of eligible employees hired after September 1, 2001. The City and participants are required to contribute 7.0% and 6.0% of annual covered payroll, respectively. Participants of the second plan vest after 5 years of service.

The two plans include 87 participants comprised of City Council appointees and management personnel. The Authority currently has no participants in the plan.

VIII. POST-EMPLOYMENT BENEFIT PLANS

VIII. A. DEFINED BENEFIT SINGLE EMPLOYER OTHER POST EMPLOYMENT BENEFIT PLANS

VIII. A. 1. OKLAHOMA CITY OTHER POST EMPLOYMENT BENEFIT PLAN (OPEB)

Plan Description

The Authority provides post-employment healthcare benefits for retired employees and their dependents through the City of Oklahoma City Post-retirement Medical Plan (the Plan).

Oklahoma City Post Employment Benefit Trust was established by City Council ordinance in 2008 as the administrator of a single employer defined benefit health care plan. Unless otherwise indicated, the information in their note is provided as of the latest actuarial valuation and measurement date of June 30, 2020 and 2019, respectively. Actuarial valuations are performed annually.

The required supplementary information other post employment benefit schedules immediately following the notes to the financial statements presents ten-year information for as many available years in accordance with requirements of GASB 75. Detailed information about other post employment benefit plan's fiduciary net position is available in a separately issued other post employment benefit report along with a copy of the actuarial report referred to in this note may be obtained from the Oklahoma City Financial Department, Accounting Service Division, 100 N. Walker, Suite 300, Oklahoma City, OK 73102.

Benefit Provisions

The City offers post-retirement healthcare benefits to eligible retirees of the City or approved public trust and their eligible survivors and dependents either through a fully insured health plan or through the City's Self-Funded Group Plan. Post-retirement healthcare benefits include general inpatient and outpatient medical services and prescription drug coverage (collectively "Plan Benefits"). Additional benefits for dental, life, and vision are available to eligible retirees with no premium sharing contributed by the City. The City is not legally obligated to subsidize Plan Benefits for any retiree. However, subject to meeting one of the criteria by the resolution Plan Benefits are only available to certain public trust and City general or special pay-plan retirees and retired police officers provided the retiree was hired before January 1, 2017, and those retired firefighters who retired on or before December 31, 2002, provided the retiree continuously maintains or has maintained coverage from the time of retirement. Employees hired on or after January 1, 2017 are not eligible for subsidized retiree Plan Benefits. To be eligible for subsidized Plan Benefits, if the City Council in its sole discretion determines to subsidize premium costs of the Plan Benefits, the retiree must meet the qualifications of the resolution that was approved on November 8, 2016. The benefits, coverage levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its personnel manual and union contracts.

Post-retirement benefits for retirees are not subject to any changes in the Consumer Price Index.

Employees Covered by Benefit Terms

	<u>2021</u>	<u>2020</u>
Retired participants	2,141	2,136
Active employees	<u>3,487</u>	<u>3,531</u>
	<u><u>5,628</u></u>	<u><u>5,667</u></u>

Contributions

Contribution requirements are actuarially determined and established by City Council ordinance. The employer contribution rate is 50% of premium leaving the other 50% of premium the responsibility of the retiree. For 2020 the employer contribution rate changed from 52% of premium to 50% of premium. Administrative costs are funded with investment earnings.

VIII. A. 2. NET OPEB LIABILITY

The Authority's net OPEB liability is reported when a OPEB plan's total OPEB liability exceeds the plan's net assets. The Authority's net OPEB liability and the total OPEB liability used to calculate the net OPEB liability was actuarially determined. The Authority's share of Net OPEB Liability is allocated using the Authority's share of employees for the payroll ending June 30, 2021 and 2020. The Authority's share is 1.32% and 1.25%, respectively.

Actuarial Assumptions

The total OPEB liability was determined using the following assumptions:

Inflation rate (1)	3.25%
Wage inflation	3.25%
Discount Rate (2)	3.35%
Investment rate of return	7.5%
Health care trend rate (3)	8.0% (6.00% for Medicare Age)
Ultimate rate	4.50%

- (1) The inflation rate changed from 3.00% in 2020 to 3.25% in 2021.
- (2) The Discount Rate changed from 4.05% in 2020 to 3.35% in 2021.
- (3) The Initial Health Care Trend Rate decreases by .50% annually to reach an ultimate rate of 4.5%.

Mortality rates were based on the RP-2000 Combined Mortality Table fully generational using Scale AA (set forward 7 years for disabled retirees).

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future and those actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future.

Concentrations

The Plan held no individual investments (other than U.S. government and U.S. government guaranteed obligations) whose market values exceeds 5% or more of net assets available for benefits. There are no long-term contracts for contributions.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.35%. Assets were projected using expected benefit payments and expected asset returns. Expected benefit payments by year were discounted using the expected asset return assumption for years in which the assets were sufficient to pay all benefit payments. Any remaining benefit payments after the net position is exhausted are discounted at the 20-year municipal bond rate. Therefore, the long-term expected rate of return on OPEB investments (7.50%) was applied to years 2021 through 2028 of projected benefit payments and the 20-year municipal bond rate based on a range of indices from 2.21%-2.66% was applied to projected benefit payments after 2028 to determine the total OPEB liability. The discount rate decreased from 4.05% on June 30, 2020 to 3.35% on June 30, 2021 whereas, it decreased from 4.25% on June 30, 2019 to 4.05% on June 30, 2020.

Long-term Expected Rate of Return and Target Allocation

The long-term expected rate of return on OPEB 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 OPEB 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. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation.

	Long-term Expected Rate of Return	
	2021	2020
Domestic Equity	7.50%	7.50%
Domestic Bonds	2.50	2.50
International Equity	8.50	8.50
International Bonds	3.50	3.50
Real Estate	4.50	4.50

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

	2021				
	Rate	Total OPEB Liability		Net OPEB Liability	
		Total Plan	Authority Share	OPEB	Authority Share
1% decrease	2.35%	\$612,098,093	\$8,079,695	\$540,827,721	\$7,138,926
Current single discount rate	3.35	515,129,852	6,799,714	443,859,480	5,858,944
1% increase	4.35	438,850,748	5,792,830	367,580,376	4,852,061

	2020				
	Rate	Total OPEB Liability		Net OPEB Liability	
		Total Plan	Authority Share	OPEB	Authority Share
1% decrease	3.05%	\$578,504,530	\$7,231,307	\$514,259,677	\$6,428,246
Current single discount rate	4.05	489,504,645	6,118,808	425,259,792	5,315,746
1% increase	5.05	419,178,905	5,239,736	354,934,052	4,436,676

Sensitivity of Net OPEB Liability to Changes in the Healthcare Cost Trends

	2021				
	Beginning Rate	Total OPEB Liability		Net OPEB Liability	
		Total Plan	Authority Share	OPEB	Authority Share
1% decrease	7.00%	\$430,425,586	\$5,681,618	\$359,155,214	\$4,740,849
Current single discount rate	8.00	515,129,852	6,799,714	443,859,480	5,858,944
1% increase	9.00	625,719,982	8,259,504	554,449,610	7,318,735

	2020				
	Beginning Rate	Total OPEB Liability		Net OPEB Liability	
		Total Plan	Authority Share	OPEB	Authority Share
1% decrease	7.00%	\$411,890,554	\$5,148,632	\$347,645,701	\$4,345,571
Current single discount rate	8.00	489,504,645	6,118,808	425,259,792	5,315,746
1% increase	9.00	590,150,604	7,376,883	525,905,751	6,573,822

OPEB Deferred Outflows and Inflows

Deferred Outflows / Inflows of resources represents the following items that have not been recognized in the OPEB expense:

1. Differences between expected and actual experience of the OPEB plan.
2. Changes of assumptions.
3. Difference between projected and actual earnings in OPEB plan investments.

The initial amortization period for the first two items noted above is based on the average future service to retirement while the difference between projected and actual earnings in OPEB plan investment is amortized over five years. All balances are amortized linearly on a principal only basis and new bases will be created annually for each of the items above.

	2021			
	Total Plan		Total Authority	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Current year contributions -				
Employer	\$13,314,341	\$ -	\$175,749	\$ -
Difference between expected and actual experience	2,867,767	120,632,275	37,855	1,592,346
Changes in assumptions	63,615,433	47,241,183	839,724	623,584
Net different between projected and actual earnings on pension plan investments	<u>2,118,854</u>	<u>-</u>	<u>27,969</u>	<u>-</u>
	<u>\$81,916,395</u>	<u>\$167,873,458</u>	<u>\$1,081,297</u>	<u>\$2,215,930</u>
	2020			
	Total Plan		Total Authority	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Current year contributions -				
Employer	\$14,562,836	\$ -	\$182,035	\$ -
Difference between expected and actual experience	3,226,238	90,745,054	40,328	1,134,313
Changes in assumptions	17,122,683	56,361,322	214,034	704,517
Net different between projected and actual earnings on pension plan investments	<u>-</u>	<u>1,049,272</u>	<u>-</u>	<u>13,116</u>
	<u>\$34,911,757</u>	<u>\$148,155,648</u>	<u>\$436,397</u>	<u>\$1,851,946</u>

Deferred outflows of resources related to the Net OPEB Liability resulting from the employer contributions of \$175,749 and \$182,035 subsequent to the measurement date will be recognized as a reduction of the net OPEB liability for the years ending June 30, 2022 and 2021, respectively.

Deferred Inflows of Resources and Deferred Outflows of Resources to be Recognized in Future OPEB Expense

	2021		2020		
	OPEB	Authority Share	OPEB	Authority Share	
2022	(\$26,685,376)	(\$352,247)	2021	(\$27,103,724)	(\$338,797)
2023	(26,305,863)	(347,237)	2022	(27,103,726)	(338,797)
2024	(26,004,092)	(343,254)	2023	(26,724,213)	(334,053)
2025	(5,563,543)	(73,439)	2024	(26,422,442)	(330,281)
2026	(3,859,486)	(50,945)	2025	(5,981,895)	(74,774)
Thereafter	<u>(10,853,044)</u>	<u>(143,260)</u>	Thereafter	<u>(14,470,727)</u>	<u>(180,882)</u>
	<u>(\$99,271,404)</u>	<u>(\$1,310,382)</u>		<u>(\$127,806,727)</u>	<u>(\$1,597,584)</u>

OPEB Expense

The Authority reported \$61,079 and \$66,190 in OPEB expense which includes costs related to employee participation in OPEB at June 30, 2021 and 2020.

VIII. A. 3. CHANGES IN NET OPEB LIABILITY

	2021					
	Total OPEB Liability		Plan Fiduciary Net Position		Net OPEB Liability	
	OPEBT	Authority Share	OPEBT	Authority Share	OPEBT	Authority Share
Beginning balance	\$489,504,645	\$6,118,808	\$64,244,853	\$803,062	\$425,259,792	\$5,315,746
Service cost	15,607,464	206,019	-	-	15,607,464	206,019
Interest	20,280,372	267,701	-	-	20,280,372	267,701
Differences between expected and actual experience	(61,351,558)	(809,841)	-	-	(61,351,558)	(809,841)
Changes of assumptions	59,900,745	790,690	-	-	59,900,745	790,690
Contributions - employer	-	-	14,562,836	192,229	(14,562,836)	(192,229)
Net investment income	-	-	1,713,212	22,614	(1,713,212)	(22,614)
Benefit payments including Refunds of employee contributions	(8,811,816)	(116,316)	(8,811,816)	(116,316)	-	-
Administrative expense	-	-	(438,713)	(5,791)	438,713	5,791
Other changes	-	342,653	-	44,972	-	297,681
	<u>\$515,129,852</u>	<u>\$6,799,714</u>	<u>\$71,270,372</u>	<u>\$940,770</u>	<u>\$443,859,480</u>	<u>\$5,858,944</u>

(Continued)

Changes in Net OPEB Liability (Continued)

	2020					
	Total OPEB Liability		Plan Fiduciary Net Position		Net OPEB Liability	
	OPEBT	Authority Share	OPEBT	Authority Share	OPEBT	Authority Share
Beginning balance	\$478,478,223	\$6,650,847	\$57,638,077	\$801,170	\$420,840,146	\$5,849,677
Service cost	15,984,135	199,802	-	-	15,984,135	199,802
Interest	20,771,885	259,649	-	-	20,771,885	259,649
Differences between expected and actual experience	(34,732,472)	(434,156)	-	-	(34,732,472)	(434,156)
Changes of assumptions	20,547,220	256,840	-	-	20,547,220	256,840
Contributions - employer	-	-	14,562,836	182,035	(14,562,836)	(182,035)
Net investment income	-	-	3,662,441	45,781	(3,662,441)	(45,781)
Benefit payments including Refunds of employee contributions	(11,544,346)	(144,304)	(11,544,346)	(144,304)	-	-
Administrative expense	-	-	(74,155)	(927)	74,155	927
Other changes	-	(669,870)	-	(80,693)	-	(589,177)
	<u>\$489,504,645</u>	<u>\$6,118,808</u>	<u>\$64,244,853</u>	<u>\$803,062</u>	<u>\$425,259,792</u>	<u>\$5,315,746</u>

IX. COMMITMENTS

Construction projects are substantially funded with revenue bonds. Active construction in progress remaining commitments at June 30, 2021 and 2020, are composed of improvements in government activities totaling \$1,233,362 and \$1,212,419, and fairgrounds improvements of \$43,853 and \$67,720, respectively.

An agreement has been entered into between the Authority, the National Collegiate Athletic Association (NCAA) the Oklahoma City All Sports Association (OCASA) and the City, whereby the Authority has committed to fund various improvements to the Softball Hall of Fame Complex, in return for the NCAA's commitment to hold, sponsor, and play the NCAA Division I Women's Collegiate Softball World Series in Oklahoma City through 2035. The funding commitment and NCAA commitment is based upon the completion of various phases of the anticipated overall project. The aggregate funding commitment from the Authority is approximately \$33.50 million. Of this amount, \$24.50 million is expected to be funded by City general obligation bond proceeds, \$6.00 million is expected to be funded with donations and sponsorships and \$3.00 million is expected to be funded by naming rights. The Authority has assigned the obligations to be funded by City general obligation bond proceeds, donations, and sponsorships to the City.

As of June 30, 2021 and 2020, the remaining commitment under the agreement is approximately \$22.80 million including \$20.09 million assigned to the City and \$22.85 million including \$20.09 million assigned to the City, respectively.

X. CONTINGENCIES

The Authority is party to various legal proceedings which normally occur in operations. Any liabilities resulting from these legal proceedings are not likely to have a material adverse impact on the Authority.

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Required Supplementary Information

**REQUIRED SUPPLEMENTARY INFORMATION
DEFINED BENEFIT PENSION**

**OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY**

I. SCHEDULE OF AUTHORITY'S SHARE OF NET PENSION LIABILITY (ASSET) (1)(2)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Authority Share	1.25%	1.52%	1.71%	1.74%
Authority share of the net pension liability (asset)	\$591,369	(\$146,948)	(\$478,093)	(\$435,322)
Other funds of the City share of the net pension liability (asset)	<u>46,718,156</u>	<u>(9,520,716)</u>	<u>(27,430,330)</u>	<u>(24,583,209)</u>
Total net pension liability (asset)	<u>\$47,309,525</u>	<u>(\$9,667,664)</u>	<u>(\$27,908,423)</u>	<u>(\$25,018,531)</u>
Covered payroll	\$140,694,950	\$135,200,068	\$130,273,619	\$114,233,221
Authority share of covered payroll	\$1,758,687	\$2,055,041	\$2,227,679	\$1,987,658
Net pension liability (asset) as a percentage of covered payroll	33.63%	(7.15%)	(21.46%)	(21.90%)
Plan fiduciary net position as a percentage of total pension liability	94.14%	101.30%	103.92%	103.69%
	<u>2017</u>	<u>2016</u>	<u>2015</u>	
Authority Share	1.74%	1.77%	1.64%	
Authority share of the net pension liability (asset)	\$20,413	(\$829,389)	(\$1,007,164)	
Other funds of the City share of the net pension liability (asset)	<u>1,152,725</u>	<u>(46,028,698)</u>	<u>(60,405,333)</u>	
Total net pension liability (asset)	<u>\$1,173,138</u>	<u>(\$46,858,087)</u>	<u>(\$61,412,497)</u>	
Covered payroll	\$126,036,039	\$127,805,936	\$124,957,446	
Authority share of covered payroll	\$2,193,027	\$2,262,165	\$2,049,302	
Net pension liability (asset) as a percentage of covered payroll	0.93%	(36.66%)	(49.15%)	
Plan fiduciary net position as a percentage of total pension liability	99.82%	107.52%	110.29%	

- (1) Amounts presented above represent the Authority's proportionate share presented in Note VII. A. DEFINED BENEFIT PENSION PLAN - OCERS
- (2) This schedule is presented to illustrate the requirement to show information for 10 years. However, results for measurement years before June 30, 2014, are not available. This information will be developed prospectively beginning in 2014 until eventually 10 years of information is available.

**REQUIRED SUPPLEMENTARY INFORMATION
DEFINED BENEFIT PENSION**

**OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY**

II. SCHEDULE OF AUTHORITY'S SHARE OF EMPLOYER CONTRIBUTIONS (1)(2)

<u>June 30.</u>	Contractually Required Contribution <u>(CRC) (3)</u>	Contributions in Relation to <u>CRC</u>	Contributions Deficiency <u>(Excess)</u>	Covered <u>Payroll</u>	Actual Contribution As a Percentage of Covered <u>Payroll</u>
2021 (4)	120,983	\$120,983	\$ -	2,016,383	6.00%
2020	97,783	96,952	831	1,758,687	5.51
2019	107,479	106,827	652	2,055,041	5.20
2018	117,621	120,670	(3,049)	2,227,679	5.42
2017	105,942	119,563	(13,621)	1,987,658	6.02
2016	128,950	128,953	(3)	2,193,027	5.88
2015	145,683	145,265	418	2,262,165	6.42
2014	146,525	145,496	1,029	2,049,302	7.10

- (1) The amounts reported represent amounts paid and covered payroll for the fiscal year indicated.
- (2) This schedule is presented to illustrate the requirement to show information for 10 years. However, Authority share for fiscal years before June 30, 2014, is not available. This information will be developed prospectively until eventually 10 years of information is available. Total plan information is provided below.
- (3) Contributions are deferred in the fiscal year reported and recognized in the financial statements in the subsequent year.
- (4) The contractually required contribution for 2021 is estimated and may change upon receipt of the actuarial report.

<u>June 30.</u>	Covered <u>Payroll</u>	Employer <u>Contributions</u>
2013	\$109,293,000	\$9,614,625
2012	102,915,000	7,132,772

III. NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

See Note VII. PENSION PLANS for actuarial assumptions and other information used to determine the annual required contributions.

**REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST-EMPLOYMENT BENEFITS**

**OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY**

I. SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY (ASSET) AND RELATED RATIOS (1)(2)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Authority Share	1.32%	1.25%	1.39%	1.53%
Authority share of the net OPEB liability (asset)	\$5,858,944	\$5,315,746	\$5,849,677	\$7,985,496
Other funds of the City share of the net OPEB liability (asset)	<u>438,000,536</u>	<u>419,944,046</u>	<u>414,990,469</u>	<u>513,942,368</u>
Total net OPEB liability (asset)	<u>\$443,859,480</u>	<u>\$425,259,792</u>	<u>\$420,840,146</u>	<u>\$521,927,864</u>
Covered - employee payroll	\$234,099,322	\$231,394,742	\$209,791,182	\$224,808,000
Authority share of covered - employee payroll	\$3,090,111	\$2,892,434	\$2,916,097	\$3,439,562
Net OPEB liability (asset) as a percentage of covered - employee payroll	189.60%	183.78%	200.60%	232.17%
Plan fiduciary net position as a percentage of total OPEB liability	13.8%	13.2%	12.0%	8.5%

- (1) Amounts presented above represent the Authority's proportionate share presented in Note VIII. OTHER POST-EMPLOYMENT BENEFITS (OPEB).
- (2) This schedule is presented to illustrate the requirement to show information for 10 years. However, results for measurement years before June 30, 2018, are not available. This information will be developed prospectively beginning in 2018 until eventually 10 years of information is available.

II. SCHEDULE OF AUTHORITY'S SHARE OF EMPLOYER CONTRIBUTIONS (1)(2)

<u>June 30,</u>	Contractually Required Contribution (CRC) (3)	Contributions in Relation to CRC	Contributions Deficiency (Excess)	Covered Payroll	Actual Contribution As a Percentage of Covered-Employee Payroll
2021 (4)	\$175,749	\$175,749	\$ -	2,929,150	6.00%
2020	264,084	192,229	\$71,855	3,090,111	6.22%
2019	270,984	202,423	\$68,561	2,892,434	7.00%
2018	349,779	222,811	\$126,968	3,253,981	6.85%

- (1) The amounts reported represent amounts paid and covered payroll for the fiscal year indicated.
- (2) This schedule is presented to illustrate the requirement to show information for 10 years. However, Authority share for fiscal years before June 30, 2018, is not available. This information will be developed prospectively until eventually 10 years of information is available. Total plan information is provided below.
- (3) Contributions are deferred in the fiscal year reported and recognized in the financial statements in the subsequent year.
- (4) The current year authority share is estimated and may change upon receipt of the actuarial report.

<u>June 30,</u>	Covered Payroll	Employer Contributions
2017	224,808,000	15,817,181
2016	219,484,135	17,811,341
2015	213,091,393	18,815,545
2014	203,859,835	19,619,034
2013	197,922,710	19,904,516
2012	180,551,843	20,064,984

III. NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

See Note VIII. POST-EMPLOYMENT BENEFIT PLANS for actuarial assumptions and other information used to determine the annual required contributions.

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Combining Financial Statements

Golf Courses Fund

- * ***Lake Hefner Golf Course*** –Used to account for the operations of the Lake Hefner Golf Course.
- * ***Lincoln Park Golf Course*** –Used to account for the operations of the Lincoln Park Golf Course.
- * ***Trosper Park Golf Course*** –Used to account for the operations of the Trosper Park Golf Course.
- * ***Earlywine Park Golf Course*** –Used to account for the operations of the Earlywine Park Golf Course.
- * ***James E. Stewart Golf Course*** –Used to account for the operations of the James E. Stewart Golf
- * ***Golf Course System*** –Used to account for the collective capital investments and operational costs paid from surcharges on green fees and other transfers from the individual golf courses.

**COMBINING STATEMENT OF NET POSITION
GOLF COURSES FUND
June 30, 2021**

**OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY**

	Lake Hefner Golf Course	Lincoln Park Golf Course	Trosper Park Golf Course	Earlywine Park Golf Course	James E. Stewart Golf Course	Golf Course System	Total Golf Fund
ASSETS							
CURRENT ASSETS							
Pooled cash-----	\$ -	\$ -	\$ -	\$ -	\$ -	\$33,338	\$33,338
Non-pooled cash-----	779,464	965,064	493,358	812,435	129,779	-	3,180,100
Investments-----	-	-	-	-	-	2,601,677	2,601,677
Accounts receivable, net-----	-	-	22	-	67	-	89
Interest, dividends, and royalties receivable-----	-	-	-	-	-	7,618	7,618
Due within golf courses-----	(39,112)	(48,181)	(22,846)	(36,119)	7,478	138,780	-
Receivable from the City of Oklahoma City-----	434	495	168	375	168	-	1,640
Inventories-----	127,474	61,062	33,907	98,713	20,865	-	342,021
Prepays-----	-	-	-	1,675	-	-	1,675
Total current assets-----	868,260	978,440	504,609	877,079	158,357	2,781,413	6,168,158
NON-CURRENT ASSETS							
Investments-----	-	-	-	-	-	455,710	455,710
Prepays, non-current-----	-	-	-	1,683	-	-	1,683
Capital assets:							
Other capital assets, net of accumulated depreciation--	166,864	1,281,733	314,021	345,878	178,184	6,419,201	8,705,881
Capital assets, net-----	166,864	1,281,733	314,021	345,878	178,184	6,419,201	8,705,881
Total non-current assets-----	166,864	1,281,733	314,021	347,561	178,184	6,874,911	9,163,274
Total assets-----	1,035,124	2,260,173	818,630	1,224,640	336,541	9,656,324	15,331,432
DEFERRED OUTFLOWS OF RESOURCES-----	491,434	684,566	154,748	293,339	335,973	410	1,960,470
LIABILITIES							
CURRENT LIABILITIES							
Accounts payable and accrued expenses-----	118,345	84,314	28,960	143,270	16,278	76,213	467,380
Wages and benefits payable-----	96,046	74,339	18,712	56,803	30,947	-	276,847
Payable to the City of Oklahoma City-----	61,331	91,039	72,412	40,180	22,224	(50,899)	236,287
Compensated absences-----	20,903	10,023	4,200	2,037	6,093	-	43,256
Bond interest payable-----	-	-	-	-	-	72,232	72,232
Bonds payable-----	-	-	-	-	-	925,000	925,000
Total current liabilities-----	296,625	259,715	124,284	242,290	75,542	1,022,546	2,021,002
NON-CURRENT LIABILITIES							
Compensated absences-----	18,877	32,398	1,860	15,864	15,206	-	84,205
Payable to the City of Oklahoma City-----	-	-	31,482	-	-	-	31,482
Bonds payable, net-----	-	-	-	-	-	7,650,057	7,650,057
Net pension liability-----	171,497	153,756	47,310	106,446	112,360	-	591,369
Net other post-employment benefit liability-----	1,281,937	2,471,302	457,583	732,369	915,753	-	5,858,944
Total non-current liabilities-----	1,472,311	2,657,456	538,235	854,679	1,043,319	7,650,057	14,216,057
Total liabilities-----	1,768,936	2,917,171	662,519	1,096,969	1,118,861	8,672,603	16,237,059
DEFERRED INFLOWS OF RESOURCES-----	530,888	975,959	185,764	305,569	376,515	-	2,374,695
NET POSITION (DEFICIT)							
Net investment in capital assets-----	166,864	1,281,733	314,021	345,878	178,184	(1,486,904)	799,776
Debt service-----	-	-	-	-	-	718,252	718,252
Unrestricted-----	(940,130)	(2,230,124)	(188,926)	(230,437)	(1,001,046)	1,752,783	(2,837,880)
Total net position (deficit)-----	(\$773,266)	(\$948,391)	\$125,095	\$115,441	(\$822,862)	\$984,131	(\$1,319,852)

**COMBINING STATEMENT OF NET POSITION
GOLF COURSES FUND
June 30, 2020**

**OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY**

	Lake Hefner Golf Course	Lincoln Park Golf Course	Trosper Park Golf Course	Earlywine Park Golf Course	James E. Stewart Golf Course	Golf Course System	Total Golf Fund
ASSETS							
CURRENT ASSETS							
Pooled cash-----	\$ -	\$ -	\$ -	\$ -	\$ -	\$1,469	\$1,469
Non-pooled cash-----	540,078	522,620	165,987	419,928	83,941	-	1,732,554
Investments-----	-	-	-	-	-	1,832,739	1,832,739
Accounts receivable, net-----	19	3	3	7,627	-	1	7,653
Interest, dividends, and royalties receivable-----	-	-	-	-	-	3,552	3,552
Due within golf courses-----	(53,126)	(56,352)	(18,671)	(39,982)	3,553	164,578	-
Receivable from the City of Oklahoma City-----	7,185	14,730	-	3,998	3,234	1	29,148
Inventories-----	118,212	67,265	26,031	103,622	19,469	-	334,599
Prepays-----	-	384	109	136	-	-	629
Total current assets-----	612,368	548,650	173,459	495,329	110,197	2,002,340	3,942,343
NON-CURRENT ASSETS							
Investments-----	-	-	-	-	-	455,710	455,710
Net pension asset-----	22,042	11,756	29,390	47,023	36,737	-	146,948
Capital assets:							
Other capital assets, net of accumulated depreciation---	283,627	1,551,026	406,308	412,728	188,335	6,564,616	9,406,640
Capital assets, net-----	283,627	1,551,026	406,308	412,728	188,335	6,564,616	9,406,640
Total non-current assets-----	305,669	1,562,782	435,698	459,751	225,072	7,020,326	10,009,298
Total assets-----	918,037	2,111,432	609,157	955,080	335,269	9,022,666	13,951,641
DEFERRED OUTFLOWS OF RESOURCES-----	211,675	146,574	152,070	226,475	192,009	593	929,396
LIABILITIES							
CURRENT LIABILITIES							
Accounts payable and accrued expenses-----	90,723	76,601	25,687	78,870	21,550	86,021	379,452
Wages and benefits payable-----	70,327	77,970	18,640	48,625	27,304	(1)	242,865
Payable to the City of Oklahoma City-----	83,079	102,262	59,327	57,062	20,428	(75,745)	246,413
Compensated absences-----	18,770	12,944	4,324	2,181	7,331	-	45,550
Bond interest payable-----	-	-	-	-	-	79,227	79,227
Bonds payable-----	-	-	-	-	-	900,000	900,000
Total current liabilities-----	262,899	269,777	107,978	186,738	76,613	989,502	1,893,507
NON-CURRENT LIABILITIES							
Compensated absences-----	17,573	38,200	3,518	17,429	12,018	-	88,738
Payable to the City of Oklahoma City-----	-	-	68,463	-	-	-	68,463
Bonds payable, net-----	-	-	-	-	-	8,577,280	8,577,280
Net other post-employment benefit liability-----	1,678,713	1,305,547	652,773	839,357	839,356	-	5,315,746
Total non-current liabilities-----	1,696,286	1,343,747	724,754	856,786	851,374	8,577,280	14,050,227
Total liabilities-----	1,959,185	1,613,524	832,732	1,043,524	927,987	9,566,782	15,943,734
DEFERRED INFLOWS OF RESOURCES	623,017	475,196	278,317	373,857	356,043	-	2,106,430
NET POSITION (DEFICIT)							
Net investment in capital assets-----	283,627	1,551,026	406,308	412,728	188,335	(2,243,530)	598,494
Debt service-----	-	-	-	-	-	699,398	699,398
Unrestricted-----	(1,736,117)	(1,381,740)	(756,130)	(648,554)	(945,087)	1,000,609	(4,467,019)
Total net position (deficit)-----	(\$1,452,490)	\$169,286	(\$349,822)	(\$235,826)	(\$756,752)	(\$543,523)	(\$3,169,127)

**COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
GOLF COURSES FUND
For the Fiscal Year Ended June 30, 2021**

**OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY**

	<u>Lake Hefner Golf Course</u>	<u>Lincoln Park Golf Course</u>	<u>Trosper Park Golf Course</u>	<u>Earlywine Park Golf Course</u>	<u>James E. Stewart Golf Course</u>	<u>Golf Course System</u>	<u>Total Golf Fund</u>
<u>OPERATING REVENUES</u>							
<u>CHARGES FOR SERVICES</u>							
Green fees-----	\$1,956,150	\$2,050,246	\$820,474	\$1,413,826	\$303,226	\$ -	\$6,543,922
Concessions-----	356,056	423,117	139,416	184,535	41,023	-	1,144,147
Other charges-----	1,034	2,336	119	503	-	-	3,992
Total charges for services-----	<u>2,313,240</u>	<u>2,475,699</u>	<u>960,009</u>	<u>1,598,864</u>	<u>344,249</u>	<u>-</u>	<u>7,692,061</u>
Golf cart rentals-----	869,333	1,023,872	431,065	686,673	123,867	-	3,134,810
Other-----	2,577	1,441	2,594	1,059	967	170	8,808
Total operating revenues-----	<u>3,185,150</u>	<u>3,501,012</u>	<u>1,393,668</u>	<u>2,286,596</u>	<u>469,083</u>	<u>170</u>	<u>10,835,679</u>
<u>OPERATING EXPENSES</u>							
Personal services-----	808,387	2,333,849	183,980	753,608	520,234	-	4,600,058
Maintenance, operations, and contractual services-----	448,872	508,600	220,753	284,586	120,754	1,153,038	2,736,603
Materials and supplies-----	568,034	629,010	257,259	336,501	137,161	-	1,927,965
Depreciation-----	116,763	269,294	103,372	66,850	16,046	145,415	717,740
Total operating expenses-----	<u>1,942,056</u>	<u>3,740,753</u>	<u>765,364</u>	<u>1,441,545</u>	<u>794,195</u>	<u>1,298,453</u>	<u>9,982,366</u>
Operating income (loss)-----	<u>1,243,094</u>	<u>(239,741)</u>	<u>628,304</u>	<u>845,051</u>	<u>(325,112)</u>	<u>(1,298,283)</u>	<u>853,313</u>
<u>NON-OPERATING REVENUES (EXPENSES)</u>							
Investment income-----	-	-	-	-	-	1,771	1,771
Interest on bonds and notes-----	-	-	(1,983)	-	-	(296,105)	(298,088)
Amortization-----	-	-	-	-	-	2,222	2,222
Payments from the City of Oklahoma City-----	-	-	-	-	259,002	1,029,739	1,288,741
Other revenues-----	543	607	81	85	-	-	1,316
Net non-operating revenues (expenses)-----	<u>543</u>	<u>607</u>	<u>(1,902)</u>	<u>85</u>	<u>259,002</u>	<u>737,627</u>	<u>995,962</u>
Income (loss) before transfers-----	<u>1,243,637</u>	<u>(239,134)</u>	<u>626,402</u>	<u>845,136</u>	<u>(66,110)</u>	<u>(560,656)</u>	<u>1,849,275</u>
Transfers within the golf courses-----	(564,413)	(878,543)	(151,485)	(493,869)	-	2,088,310	-
Changes in net position (deficit)-----	<u>679,224</u>	<u>(1,117,677)</u>	<u>474,917</u>	<u>351,267</u>	<u>(66,110)</u>	<u>1,527,654</u>	<u>1,849,275</u>
Total net position, beginning-----	(1,452,490)	169,286	(349,822)	(235,826)	(756,752)	(543,523)	(3,169,127)
Total net position (deficit), ending-----	<u>(\$773,266)</u>	<u>(\$948,391)</u>	<u>\$125,095</u>	<u>\$115,441</u>	<u>(\$822,862)</u>	<u>\$984,131</u>	<u>(\$1,319,852)</u>

**COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
GOLF COURSES FUND
For the Fiscal Year Ended June 30, 2020**

**OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY**

	<u>Lake Hefner Golf Course</u>	<u>Lincoln Park Golf Course</u>	<u>Trosper Park Golf Course</u>	<u>Earlywine Park Golf Course</u>	<u>James E. Stewart Golf Course</u>	<u>Golf Course System</u>	<u>Total Golf Fund</u>
<u>OPERATING REVENUES</u>							
<u>CHARGES FOR SERVICES</u>							
Green fees-----	\$1,671,494	\$1,595,171	\$503,968	\$1,077,480	\$195,445	\$ -	\$5,043,558
Concessions-----	432,770	407,707	86,922	168,143	39,858	-	1,135,400
Other charges-----	2,364	18,844	93	1,524	12	-	22,837
Total charges for services-----	<u>2,106,628</u>	<u>2,021,722</u>	<u>590,983</u>	<u>1,247,147</u>	<u>235,315</u>	<u>-</u>	<u>6,201,795</u>
Golf cart rentals-----	744,487	794,363	279,454	513,858	77,578	-	2,409,740
Other-----	782	2,918	3,279	2,448	1,472	-	10,899
Total operating revenues-----	<u>2,851,897</u>	<u>2,819,003</u>	<u>873,716</u>	<u>1,763,453</u>	<u>314,365</u>	<u>-</u>	<u>8,622,434</u>
<u>OPERATING EXPENSES</u>							
Personal services-----	1,130,146	945,451	480,405	806,925	55,293	-	3,418,220
Maintenance, operations, and contractual services-----	396,861	454,907	176,473	260,913	109,839	913,027	2,312,020
Materials and supplies-----	440,449	491,379	137,348	254,286	145,214	-	1,468,676
Depreciation-----	122,914	166,456	102,043	148,589	15,368	145,419	700,789
Total operating expenses-----	<u>2,090,370</u>	<u>2,058,193</u>	<u>896,269</u>	<u>1,470,713</u>	<u>325,714</u>	<u>1,058,446</u>	<u>7,899,705</u>
Operating income (loss)-----	<u>761,527</u>	<u>760,810</u>	<u>(22,553)</u>	<u>292,740</u>	<u>(11,349)</u>	<u>(1,058,446)</u>	<u>722,729</u>
<u>NON-OPERATING REVENUES (EXPENSES)</u>							
Investment income-----	-	-	-	-	-	46,934	46,934
Interest on bonds and notes-----	(428)	(579)	(2,816)	-	-	(323,849)	(327,672)
Amortization-----	-	-	-	-	-	2,317	2,317
Payments from the City of Oklahoma City-----	-	-	-	-	346,271	834,206	1,180,477
Other revenues-----	141	175	42	613	32,964	30,000	63,935
Net non-operating revenues (expenses)-----	<u>(287)</u>	<u>(404)</u>	<u>(2,774)</u>	<u>613</u>	<u>379,235</u>	<u>589,608</u>	<u>965,991</u>
Income (loss) before transfers-----	<u>761,240</u>	<u>760,406</u>	<u>(25,327)</u>	<u>293,353</u>	<u>367,886</u>	<u>(468,838)</u>	<u>1,688,720</u>
Transfers within the golf courses-----	(508,495)	(556,365)	(78,467)	(207,043)	-	1,350,370	-
Changes in net position (deficit)-----	<u>252,745</u>	<u>204,041</u>	<u>(103,794)</u>	<u>86,310</u>	<u>367,886</u>	<u>881,532</u>	<u>1,688,720</u>
Total net position, beginning-----	(1,705,235)	(34,755)	(246,028)	(322,136)	(1,124,638)	(1,425,055)	(4,857,847)
Total net position (deficit), ending-----	<u>(\$1,452,490)</u>	<u>\$169,286</u>	<u>(\$349,822)</u>	<u>(\$235,826)</u>	<u>(\$756,752)</u>	<u>(\$543,523)</u>	<u>(\$3,169,127)</u>

**COMBINING STATEMENT OF CASH FLOWS
GOLF COURSES FUND
For the Fiscal Year Ended June 30, 2021**

**OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY**

	<u>Lake Hefner Golf Course</u>	<u>Lincoln Park Golf Course</u>	<u>Trosper Park Golf Course</u>	<u>Earlywine Park Golf Course</u>	<u>James E. Stewart Golf Course</u>	<u>Golf Course System</u>	<u>Total Golf Fund</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>							
Cash received from customers-----	\$3,212,190	\$3,479,081	\$1,372,966	\$2,314,825	\$468,382	\$82,850	\$10,930,294
Cash payments to suppliers for goods and services-----	(1,011,197)	(1,056,610)	(468,160)	(566,060)	(253,845)	(1,066,568)	(4,422,440)
Cash payments to employees and professional contractors for services-----	(1,355,849)	(1,032,466)	(370,892)	(839,696)	(420,815)	(35,419)	(4,055,137)
Cash payments for internal services-----	(34,689)	(69,438)	(6,138)	(22,693)	(989)	(99,418)	(233,365)
Operating payments from City of Oklahoma City-----	(564,413)	(878,543)	(151,485)	(493,869)	259,000	3,118,050	1,288,740
Operating payments to City of Oklahoma City-----	-	-	(38,183)	-	-	(70)	(38,253)
Operating payments within the Department-----	(7,056)	-	348	-	-	6,708	-
Net cash provided by operating activities-----	238,986	442,024	338,456	392,507	51,733	2,006,133	3,469,839
<u>CASH FLOWS FROM CAPITAL AND CAPITAL RELATED FINANCING ACTIVITIES</u>							
Payments for acquisition and construction of capital assets-----	-	-	-	-	-	(16,980)	(16,980)
Principal paid on long-term debt-----	-	-	-	-	-	(900,000)	(900,000)
Interest paid on long-term debt-----	-	-	-	-	-	(303,030)	(303,030)
Proceeds from sale of assets-----	400	420	(11,085)	-	(5,895)	16,980	820
Net cash provided (used) by capital and related financing activities-----	400	420	(11,085)	-	(5,895)	(1,203,030)	(1,219,190)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>							
Payments for purchase of investments-----	-	-	-	-	-	(1,214,880)	(1,214,880)
Proceeds from sale of investments-----	-	-	-	-	-	1,203,020	1,203,020
Changes in pooled investments-----	-	-	-	-	-	(757,077)	(757,077)
Investment income received-----	-	-	-	-	-	(2,297)	(2,297)
Net cash provided (used) by investing activities-----	-	-	-	-	-	(771,234)	(771,234)
Net increase in cash-----	239,386	442,444	327,371	392,507	45,838	31,869	1,479,415
Cash, beginning-----	540,078	522,620	165,987	419,928	83,941	1,469	1,734,023
Cash, ending-----	\$779,464	\$965,064	\$493,358	\$812,435	\$129,779	\$33,338	\$3,213,438

**COMBINING STATEMENT OF CASH FLOWS
GOLF COURSES FUND
For the Fiscal Year Ended June 30, 2021**

**OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY**

	<u>Lake Hefner Golf Course</u>	<u>Lincoln Park Golf Course</u>	<u>Trosper Park Golf Course</u>	<u>Earlywine Park Golf Course</u>	<u>James E. Stewart Golf Course</u>	<u>Golf Course System</u>	<u>Total Golf Fund</u>
RECONCILIATION OF OPERATING INCOME (LOSS)							
Operating income (loss)-----	\$1,243,094	(\$239,741)	\$628,304	\$845,051	(\$325,112)	(\$1,298,283)	\$853,313
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) PROVIDED BY OPERATING ACTIVITIES							
Depreciation-----	116,763	269,294	103,372	66,850	16,046	145,415	717,740
Other revenue-----	143	187	81	85	2	-	498
Changes in assets and liabilities:							
(Increase) decrease in accounts receivable-----	19	3	(19)	7,627	(67)	1	7,564
(Increase) decrease in receivable from City of Oklahoma City-----	(571,675)	(872,479)	(147,478)	(494,109)	258,141	3,143,849	1,316,249
(Increase) decrease in inventories-----	(9,262)	6,202	(7,877)	4,910	(1,395)	-	(7,422)
(Increase) decrease in prepaid assets-----	-	384	109	(3,222)	-	-	(2,729)
(Increase) decrease in net pension asset-----	22,042	11,756	29,390	47,023	36,737	-	146,948
(Increase) decrease in deferred outflows-----	(279,759)	(537,992)	(2,678)	(66,864)	(143,964)	183	(1,031,074)
Increase (decrease) in accounts payable and accrued expenses-----	27,622	7,713	3,273	64,400	(5,272)	(9,808)	87,928
Increase (decrease) in wages and benefits payable-----	25,719	(3,631)	72	8,178	3,643	1	33,982
Increase (decrease) in payable to City of Oklahoma City-----	(21,749)	(11,223)	(25,878)	(16,883)	1,795	24,775	(49,163)
Increase (decrease) in compensated absences-----	3,437	(8,723)	(1,782)	(1,709)	1,950	-	(6,827)
Increase (decrease) in net pension liability-----	171,497	153,756	47,310	106,446	112,360	-	591,369
Increase (decrease) in net other post-employment benefit liability-----	(396,776)	1,165,755	(195,190)	(106,988)	76,397	-	543,198
Increase (decrease) in deferred inflows-----	(92,129)	500,763	(92,553)	(68,288)	20,472	-	268,265
Total adjustments-----	(1,004,108)	681,765	(289,848)	(452,544)	376,845	3,304,416	2,616,526
Net cash provided by operating activities-----	\$238,986	\$442,024	\$338,456	\$392,507	\$51,733	\$2,006,133	\$3,469,839

**COMBINING STATEMENT OF CASH FLOWS
GOLF COURSES FUND
For the Fiscal Year Ended June 30, 2020**

**OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY**

	<u>Lake Hefner Golf Course</u>	<u>Lincoln Park Golf Course</u>	<u>Trosper Park Golf Course</u>	<u>Earlywine Park Golf Course</u>	<u>James E. Stewart Golf Course</u>	<u>Golf Course System</u>	<u>Total Golf Fund</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>							
Cash received from customers-----	\$2,818,086	\$2,828,042	\$862,451	\$1,779,565	\$354,231	\$63,267	\$8,705,642
Cash payments to suppliers for goods and services-----	(783,999)	(919,439)	(296,462)	(481,995)	(279,023)	(799,355)	(3,560,273)
Cash payments to employees and professional contractors for services-----	(1,336,720)	(1,084,188)	(369,963)	(851,020)	(392,797)	(90,097)	(4,124,785)
Cash payments for internal services-----	(22,798)	(60,050)	(7,517)	(9,424)	(2,882)	(70,017)	(172,688)
Operating payments from City of Oklahoma City-----	(508,495)	(556,366)	(78,467)	(207,043)	346,271	2,184,576	1,180,476
Operating payments to City of Oklahoma City-----	(65,318)	(88,369)	(38,183)	-	-	(356)	(192,226)
Operating payments within the Department-----	(7,022)	-	2,886	-	-	4,136	-
Net cash provided by operating activities-----	93,734	119,630	74,745	230,083	25,800	1,292,154	1,836,146
<u>CASH FLOWS FROM CAPITAL AND CAPITAL RELATED FINANCING ACTIVITIES</u>							
Payments for acquisition and construction of capital assets-----	-	-	-	-	-	(16,694)	(16,694)
Principal paid on long-term debt-----	-	-	-	-	-	(870,000)	(870,000)
Interest paid on long-term debt-----	-	-	-	-	-	(330,255)	(330,255)
Proceeds from sale of assets-----	-	-	(10,380)	-	-	10,380	-
Net cash provided (used) by capital and related financing activities-----	-	-	(10,380)	-	-	(1,206,569)	(1,216,949)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>							
Payments for purchase of investments-----	-	-	-	-	-	(1,229,824)	(1,229,824)
Proceeds from sale of investments-----	-	-	-	-	-	1,207,823	1,207,823
Changes in pooled investments-----	-	-	-	-	-	(111,094)	(111,094)
Investment income received-----	-	-	-	-	-	13,511	13,511
Purchased interest-----	-	-	-	-	-	35,464	35,464
Net cash provided (used) by investing activities-----	-	-	-	-	-	(84,120)	(84,120)
Net increase in cash-----	93,734	119,630	64,365	230,083	25,800	1,465	535,077
Cash, beginning-----	446,344	402,990	101,622	189,845	58,141	4	1,198,946
Cash, ending-----	\$540,078	\$522,620	\$165,987	\$419,928	\$83,941	\$1,469	\$1,734,023

**COMBINING STATEMENT OF CASH FLOWS
GOLF COURSES FUND
For the Fiscal Year Ended June 30, 2020**

**OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY**

	<u>Lake Hefner Golf Course</u>	<u>Lincoln Park Golf Course</u>	<u>Trosper Park Golf Course</u>	<u>Earlywine Park Golf Course</u>	<u>James E. Stewart Golf Course</u>	<u>Golf Course System</u>	<u>Total Golf Fund</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES							
Operating income (loss)-----	\$761,527	\$760,810	(\$22,553)	\$292,740	(\$11,349)	(\$1,058,446)	\$722,729
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) PROVIDED BY OPERATING ACTIVITIES							
Depreciation-----	122,914	166,456	102,043	148,589	15,368	145,419	700,789
Other revenue-----	141	175	42	613	32,964	30,000	63,935
Changes in assets and liabilities:							
(Increase) decrease in accounts receivable-----	(19)	1	221	(7,627)	5,538	(1)	(1,887)
(Increase) decrease in receivable from City of Oklahoma City-----	(515,318)	(577,523)	(71,379)	(204,115)	339,097	2,180,567	1,151,329
(Increase) decrease in inventories-----	(11,890)	(284)	2,212	(2,049)	(799)	-	(12,810)
(Increase) decrease in prepaid assets-----	-	2,328	150	1,659	-	-	4,137
(Increase) decrease in net pension asset-----	143,096	116,813	(1,770)	55,272	17,734	-	331,145
(Increase) decrease in deferred outflows-----	40,059	46,613	(100,516)	(92,872)	(82,854)	182	(189,388)
Increase (decrease) in accounts payable and accrued expenses-----	18,451	15,115	5,109	43,943	(5,720)	35,993	112,891
Increase (decrease) in wages and benefits payable-----	(7,482)	12,088	2,145	(6,040)	3,490	(1)	4,200
Increase (decrease) in payable to City of Oklahoma City-----	(42,261)	(89,946)	(35,253)	19,614	(11,526)	(41,559)	(200,931)
Increase (decrease) in compensated absences-----	(14,297)	(12,865)	(181)	(11,608)	3,483	-	(35,468)
Increase (decrease) in liabilities payable from restricted assets-----	-	(183,196)	-	-	-	183,196	-
Increase (decrease) in net pension liability-----	(235,886)	-	121,038	(11,772)	(224,115)	(183,196)	(533,931)
Increase (decrease) in net other post-employment benefit liability-----	-	-	-	-	-	-	-
Increase (decrease) in deferred inflows-----	(165,301)	(136,955)	73,437	3,736	(55,511)	-	(280,594)
Total adjustments-----	(667,793)	(641,180)	97,298	(62,657)	37,149	2,350,600	1,113,417
Net cash provided by operating activities-----	\$93,734	\$119,630	\$74,745	\$230,083	\$25,800	\$1,292,154	\$1,836,146

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Trustees
Oklahoma City Public Property Authority
Oklahoma City, Oklahoma

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund of the Oklahoma City Public Property Authority (Authority), a blended component unit of the City of Oklahoma City, Oklahoma, as of and for the years ended June 30, 2021 and 2020, and the related notes to financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents, and have issued our report thereon dated November 23, 2021. Our report includes a reference to other auditors who audited the financial statements of the Operations of The Downtown Convention Center (Center). The financial statements of the Center, The Combined Operations of the Prairie Surf Studios and the Paycom Center (Arena), which are reported within the Oklahoma City Public Property Authority's governmental activities and general purpose fund financial statements, were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Center and Arena.

Internal Control over Financial Reporting

In planning and performing our audits of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Allen, Gibbs & Houlik, L.C.
CERTIFIED PUBLIC ACCOUNTANTS

November 23, 2021
Wichita, Kansas