



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, 2022

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, 2022

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

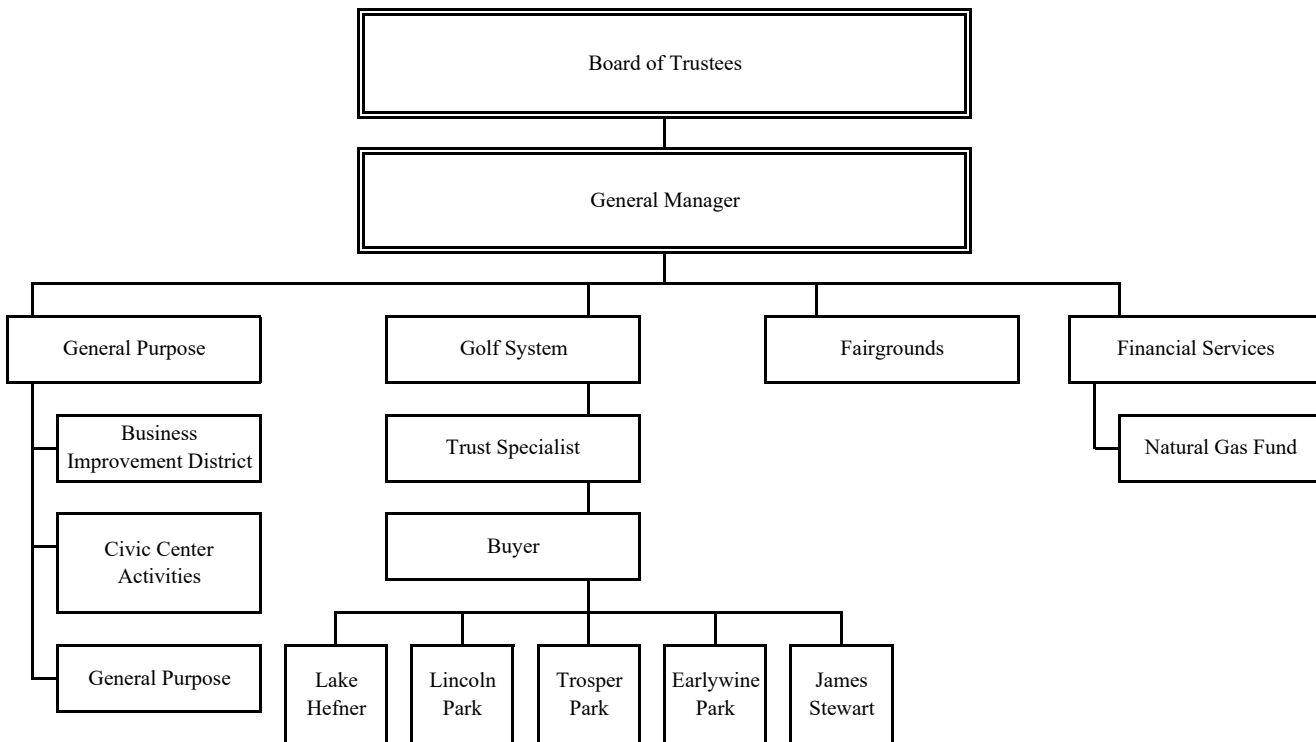
THE OKLAHOMA CITY PUBLIC PROPERTY AUTHORITY

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Oklahoma City Public Property Authority Organization Chart



Introductory Section



The City of
OKLAHOMA CITY

November 23, 2022

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, 2022 and 2021, 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, Partner and Chief Economist at the Thorberg Collectorate, provides an annual economic outlook to City leaders in February. This year's forecast highlighted substantial recent economic growth that reflects national trends and artificial support from federal policy and is therefore not sustainable. The forecast was that Oklahoma City would continue to see strong growth in fiscal year 2022 with weaker growth and possible declines in 2023. He presented two baseline scenarios which incorporate consumer pricing and inflation expectations into the forecast as well as a scenario for a mild recession. All three scenarios predicted significant economic expansion in fiscal year 2022 eventually levelling off and declining in 2023. Per-capita personal income in Oklahoma City is expected to increase to \$58,989 in 2022, aided by recent fiscal stimulus. The forecast for nonfarm employment in Oklahoma City was for 4.1% growth in the number of people employed. Dr. Evans' forecast predicted sales tax growth of 16.5% for fiscal year 2022, boosted by fiscal policy to augment household income during the COVID-19 pandemic.

In September 2022, Dr. Evans provided a mid-year update which took into consideration the current inflationary cycle and tightening monetary policy. The likelihood of the U.S. entering a recession in late 2022 or early 2023 has increased, although Oklahoma will enter such a period with a strong labor market and after sustained economic growth. Oklahoma City is expected to maintain positive fiscal performance further into fiscal year 2023, before growth begins to decline leading into fiscal year 2024. Dr. Evans presented two plausible paths for sales tax collections in fiscal year 2023 which predict different impacts from federal monetary policy. The "soft landing" scenario in which a strong recession is averted has sales tax growth of 6.3% in fiscal year 2023, while a "hard landing" approach in which an outright recession materializes has growth of 1.9%.



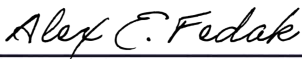
Going forward, there are several factors that position Oklahoma City to successfully weather a period of economic slowdown. The cost of living and the cost of doing business remain highly competitive among large cities in the U.S. In addition, low commuting times, convenient airline travel, and excellent entertainment and sports opportunities make Oklahoma City a great place for businesses and residents. Oklahoma City received \$123 million from the American Rescue Plan Act (ARPA) and has allocated 6% to the public health response to the COVID-19 pandemic, 30% to tourism and combating the negative economic impacts of the pandemic, and 64% to capital investments in infrastructure and public amenities.

Oklahoma City is being recognized more and more as a great place to work, live and visit. As evidence, Oklahoma City ranked number two for lowest cost of living among all reporting large cities over 500,000 population by the C2ER Annual Cost of Living Index. According to recent analysis by Real Estate Witch of publicly available data from the U.S. Census Bureau, Bureau of Economic Analysis, Bureau of Labor Statistics, UPCouncil, Google Trends, U.S. Patent Office, and the American Legislative Exchange Council Center for State Fiscal Reform, Oklahoma City came in at number twelve in their rankings to determine the best cities for starting a business. Oklahoma City also earned a AAA rating from Moody's and S&P for the 12th year in a row, which is the highest rating awarded by each agency.

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 Audit of the Financial Statements

Opinions

We have audited 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 (City), as of and for the years ended June 30, 2022 and 2021, and the related notes to financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, based on our audits and the report of the other auditors, the accompanying 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, 2022 and 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of The Operations of the Downtown Convention Center (Center), which represent approximately 4% (3% in 2021) and 8% (10% in 2021) of total assets and 10% (3% in 2021) and 10% (3% in 2021) of revenues of the governmental activities and general purpose fund financial statements, respectively, as of June 30, 2022 and 2021, and the respective changes in financial position for the years then ended. 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.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note IV.A. to the financial statements, the Authority adopted GASB Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that 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 is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental

Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The combining financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the 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 combining financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audits of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 23, 2022 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.C.
CERTIFIED PUBLIC ACCOUNTANTS

November 23, 2022
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, 2022 and 2021. 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

- In 2022, the Authority implemented GASB Statement No. 87. This standard was applied retrospectively, which required a restatement of the 2021 financials.
- Authority assets and deferred outflows exceeded liabilities and deferred inflows by \$73,333,258 (net position) for 2022. This compares to 2021 when assets and deferred outflows exceeded liabilities and deferred inflows by \$62,424,635.
- Total assets for the Authority increased by \$8,029,691 to \$191,016,958 during fiscal year 2022 and increased by \$14,404,860 to \$182,987,267 during fiscal year 2021.
- Total liabilities for the Authority decreased by \$1,321,110 to \$102,023,322 during fiscal year 2022 and decreased by \$4,789,323 to \$103,344,432 during fiscal year 2021.
- Total net position is comprised of the following:
 - (1) Net investment in capital assets of \$44,870,589 and \$43,861,281 for 2022 and 2021, 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 \$6,590,327 and \$6,405,961 for 2022 and 2021, respectively, is restricted for capital projects and debt service.
 - (3) Net position of \$176,140 and \$457,119 for 2022 and 2021, respectively, is restricted for public service.
 - (4) Net position of \$669,349 and \$910,719 for 2022 and 2021, respectively, is restricted for culture and recreation.
 - (5) Unrestricted net position is \$21,026,853 for 2022 and \$10,789,555 for 2021.
- The Authority's governmental fund reported total ending fund balance of \$22,664,165 in 2022. This compares to the 2021 ending fund balance of \$16,140,336, showing an increase of \$6,523,829 during 2022.

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.

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2022 and 2021

**OKLAHOMA CITY PUBLIC
PROPERTY 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, 2022 is \$73,333,258. This is an increase of \$10,908,623 from the June 30, 2021 net position of \$62,424,635. Overall the Authority's financial position improved during fiscal year 2022.

Summary of Net Position

	Governmental		Business-type		Total		2022 - 2021 % Change	Governmental	Business-type	2020 Total	2021 - 2020 % Change
	Activities		Activities					Activities	Activities		
	2022	2021	2022	2021	2022	2021		2020	2020		
Assets											
Current assets	\$44,649,332	\$32,633,300	\$15,563,489	\$14,697,962	\$60,212,821	\$47,331,262	27.2%	\$27,339,105	\$13,187,698	\$40,526,803	16.8%
Capital assets, net	72,241,831	72,635,689	43,931,495	46,544,683	116,173,326	119,180,372	(2.5)	76,020,036	50,416,014	126,436,050	(5.7)
Other non-current assets	<u>11,837,418</u>	<u>15,034,415</u>	<u>2,793,393</u>	<u>1,441,218</u>	<u>14,630,811</u>	<u>16,475,633</u>	(11.2)	<u>21,298</u>	<u>1,598,256</u>	<u>1,619,554</u>	917.3
Total assets	<u>128,728,581</u>	<u>120,303,404</u>	<u>62,288,377</u>	<u>62,683,863</u>	<u>191,016,958</u>	<u>182,987,267</u>	4.4	<u>103,380,439</u>	<u>65,201,968</u>	<u>168,582,407</u>	8.5
Deferred outflows	-	-	<u>1,977,043</u>	<u>2,101,308</u>	<u>1,977,043</u>	<u>2,101,308</u>	(5.9)	-	<u>1,081,653</u>	<u>1,081,653</u>	94.3
Liabilities											
Current liabilities	20,353,125	14,479,645	7,052,960	6,278,934	27,406,085	20,758,579	32.0	15,320,636	6,074,206	21,394,842	(3.0)
Non-current liabilities	<u>522,043</u>	<u>2,444,197</u>	<u>74,095,194</u>	<u>80,141,656</u>	<u>74,617,237</u>	<u>82,585,853</u>	(9.6)	<u>2,765,911</u>	<u>83,973,002</u>	<u>86,738,913</u>	(4.8)
Total liabilities	<u>20,875,168</u>	<u>16,923,842</u>	<u>81,148,154</u>	<u>86,420,590</u>	<u>102,023,322</u>	<u>103,344,432</u>	(1.3)	<u>18,086,547</u>	<u>90,047,208</u>	<u>108,133,755</u>	(4.4)
Deferred inflows	<u>13,552,415</u>	<u>16,820,420</u>	<u>4,085,006</u>	<u>2,499,088</u>	<u>17,637,421</u>	<u>19,319,508</u>	(8.7)	-	<u>2,245,750</u>	<u>2,245,750</u>	760.3
Net position (deficit)											
Net investment in											
capital assets	72,156,251	72,635,689	(27,285,662)	(28,774,408)	44,870,589	43,861,281	2.3	76,020,036	(29,306,731)	46,713,305	(6.1)
Restricted for:											
Capital projects	2,425,729	2,388,337	-	-	2,425,729	2,388,337	1.6	2,146,236	-	2,146,236	11.3
Debt service	-	-	4,164,598	4,017,624	4,164,598	4,017,624	3.7	-	3,878,564	3,878,564	3.6
Public services	176,140	457,119	-	-	176,140	457,119	(61.5)	175,701	-	175,701	160.2
Culture and recreation	669,349	910,719	-	-	669,349	910,719	(26.5)	1,889,120	-	1,889,120	(51.8)
Unrestricted	<u>18,873,529</u>	<u>10,167,278</u>	<u>2,153,324</u>	<u>622,277</u>	<u>21,026,853</u>	<u>10,789,555</u>	94.9	<u>5,062,799</u>	<u>(581,170)</u>	<u>4,481,629</u>	140.8
Total net position (deficit)	<u>\$94,300,298</u>	<u>\$86,559,142</u>	<u>(\$20,967,740)</u>	<u>(\$24,134,507)</u>	<u>\$73,333,258</u>	<u>\$62,424,635</u>	17.5	<u>\$85,293,892</u>	<u>(\$26,009,337)</u>	<u>\$59,284,555</u>	5.3

Governmental activities current assets increased by \$12.02 million and increased by \$5.29 million in 2022 and 2021, respectively. Cash and investments increased by \$9.93 million and by \$3.55 million, respectively, for 2022 and 2021. Accounts receivable increased by \$1.42 million in 2022 primarily due to lowered COVID restrictions resulting in more events. In 2021 they decreased by \$924 thousand primarily related to fewer events due to COVID restrictions. Lease receivable increased by \$825 thousand in 2022 and \$2.70 million in 2021 due to a change in accounting principle and restatement of leases.

Governmental activities non-current assets decreased by \$3.20 million in 2022 primarily due to lease payments being collected. At June 30, 2021 governmental activities non-current assets increased by \$15.01 million due to a change in accounting principle and restatement of leases putting the long term portion of lease receivables on the balance sheet.

Business-type activities current assets increased by \$866 thousand and \$1.51 million in 2022 and 2021, respectively. This was primarily due to an increase in cash balances for the golf courses due to a surge in golf business during these fiscal years.

Capital assets for governmental activities, net of accumulated depreciation, decreased \$394 thousand in 2022 primarily related to normal depreciation of \$3.22 million offset by the construction of the Crosstown Boulevard. In 2021 capital assets for governmental activities, net of depreciation, decreased \$3.38 million primarily related to normal depreciation of \$3.26 million offset by acquisitions and construction costs. Business-type activities capital assets, net of accumulated depreciation, decreased \$2.61 million in 2022 primarily related to normal depreciation of \$3.63 million, offset by acquisitions and construction costs. In 2021 it decreased \$3.87 million primarily related to normal depreciation of \$3.96 million offset by acquisitions and construction costs.

Total governmental activities liabilities increased \$3.53 million in 2022 primarily due to a \$851 thousand increase in accounts payable and accrued expenses along with a \$6.74 million increase in unearned revenue related to more events being held after COVID, offset, by a \$2.31 million decrease in payable to component unit for the OCEDT land payment and \$1.92 million decrease in non-current payable to the City of Oklahoma City. In 2021 the decrease of \$740 thousand is primarily due to decreases in accounts payable and accrued expenses of \$141 thousand and unearned revenue of \$3.07 million offset by an increase in payable to the component units of \$2.31 million.

Total liabilities in business-type activities decreased \$5.27 million in 2022 primarily due to a \$4.89 million decrease in net bonds payable. 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).

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2022 and 2021

OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY

Summary of Changes in Net Position

	Governmental		Business-type		Total		2022 - 2021 % Change	Governmental	Business-type	2020 Total	2021 - 2020 % Change
	Activities		Activities					Activities	Activities		
	2022	2021 Restated	2022	2021	2022	2021 Restated		2020	2020		
Revenues											
Charges for services	\$17,300,412	\$5,296,998	\$13,418,448	\$11,510,263	\$30,718,860	\$16,807,261	82.8%	\$12,448,049	\$9,310,641	\$21,758,690	(22.8%)
Operating grants and contributions	18,969,431	19,109,108	7,892,391	7,758,716	26,861,822	26,867,824	0.0	15,473,543	7,805,424	23,278,967	15.4
Capital grants and contributions	2,375,161	-	-	-	2,375,161	-	100.0	-	-	-	0.0
General revenues	<u>483,988</u>	<u>96,129</u>	<u>(61,015)</u>	<u>2,005</u>	<u>422,973</u>	<u>98,134</u>	331.0	<u>772,407</u>	<u>43,133</u>	<u>815,540</u>	(88.0)
Total revenues	<u>39,128,992</u>	<u>24,502,235</u>	<u>21,249,824</u>	<u>19,270,984</u>	<u>60,378,816</u>	<u>43,773,219</u>	37.9	<u>28,693,999</u>	<u>17,159,198</u>	<u>45,853,197</u>	(4.5)
Expenses											
General government	156,025	-	-	-	156,025	-	100.0	3,289	-	3,289	(100.0)
Police	-	46,778	-	-	-	46,778	(100.0)	66,600	-	66,600	(29.8)
Public services	740,636	618,013	-	-	740,636	618,013	19.8	617,200	-	617,200	0.1
Culture and recreation	30,488,874	22,489,227	-	-	30,488,874	22,489,227	35.6	32,436,565	-	32,436,565	(30.7)
Economic development	82	78	-	-	82	78	5.1	169	-	169	(53.8)
Interest on long-term debt	1,519	82,889	-	-	1,519	82,889	(98.2)	83,756	-	83,756	(1.0)
Golf courses	-	-	10,620,288	10,278,232	10,620,288	10,278,232	3.3	-	8,225,060	8,225,060	25.0
Fairgrounds	-	-	6,155,693	6,437,197	6,155,693	6,437,197	(4.4)	-	7,220,052	7,220,052	(10.8)
Financial services	-	-	<u>1,307,076</u>	<u>680,725</u>	<u>1,307,076</u>	<u>680,725</u>	92.0	-	<u>615,240</u>	<u>615,240</u>	10.6
Total expenses	<u>31,387,136</u>	<u>23,236,985</u>	<u>18,083,057</u>	<u>17,396,154</u>	<u>49,470,193</u>	<u>40,633,139</u>	21.7	<u>33,207,579</u>	<u>16,060,352</u>	<u>49,267,931</u>	(17.5)
Changes in net position	7,741,856	1,265,250	3,166,767	1,874,830	10,908,623	3,140,080	247.4	(4,513,580)	1,098,846	(3,414,734)	192.0
Beginning net position (deficit)											
As previously reported	<u>86,559,142</u>	<u>85,293,892</u>	<u>(24,134,507)</u>	<u>(26,009,337)</u>	<u>62,424,635</u>	<u>59,284,555</u>	5.3	<u>89,807,472</u>	<u>(27,108,183)</u>	<u>62,699,289</u>	(5.4)
Ending net position (deficit)	<u>\$94,300,998</u>	<u>\$86,559,142</u>	<u>(\$20,967,740)</u>	<u>(\$24,134,507)</u>	<u>\$73,333,258</u>	<u>\$62,424,635</u>	17.5	<u>\$85,293,892</u>	<u>(\$26,009,337)</u>	<u>\$59,284,555</u>	5.3

Governmental activities charges for services increased \$12.00 million 2022 primarily due to event schedules returning to normal after the strict COVID shut down and slow reopening. The decrease of \$7.15 million in 2021 was primarily due to public event charges which were severely impacted by the COVID pandemic. Governmental activities operating grants and contributions remained stable in 2022. During 2021 they increased \$3.64 million 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 \$1.91 million and \$2.20 million in 2022 and 2021, respectively, primarily due to increases in Golf Courses Fund revenue.

Governmental expenses increased \$8.15 million in 2022 due to the cost of operations increasing with more events being held as arenas opened back up to society. Governmental expenses decreased \$9.97 million in 2021. This was 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 which resulted from COVID event cancellations.

Business-type expenses remained stable in 2022. In 2021 they increased \$1.34 million. 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 depreciation expense.

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 \$22,664,165 for 2022, of which \$1,536,458 is unassigned. This compares to \$16,140,336 for 2021, of which \$1,430,193 is unassigned.

The total ending fund balance of the governmental fund for 2022 shows an increase of \$6,523,829 from the ending balance for 2021. 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, 2022 and 2021, was \$116,173,326 and \$119,180,372, respectively.

Capital Assets, Net of Accumulated Depreciation

	Governmental		Business-type		Total		2021 - 2022	Governmental	Business-type	2020	2021 - 2020
	Activities		Activities		Total		Total	Activities	Activities		
	2022	2021	2022	2021	2022	2021	% Change	2020	2020		
Non-Depreciable											
Assets											
Construction in progress	\$187,332	\$101,752	\$900,516	\$87,069	\$1,087,848	\$188,821	476.1%	\$101,752	\$3,999,518	\$4,101,270	(95.4%)
Land and art	<u>11,948,949</u>	<u>9,357,815</u>	<u>2,004,837</u>	<u>2,004,837</u>	<u>13,953,786</u>	<u>11,362,652</u>	22.8	<u>9,357,815</u>	<u>2,004,837</u>	<u>11,362,652</u>	0.0
Total non-depreciable assets	<u>12,136,281</u>	<u>9,459,567</u>	<u>2,905,353</u>	<u>2,091,906</u>	<u>15,041,634</u>	<u>11,551,473</u>	30.2	<u>9,459,567</u>	<u>6,004,355</u>	<u>15,463,922</u>	(25.3)
Depreciable Assets											
Buildings	33,822,848	34,961,233	29,795,142	30,872,094	63,617,990	65,833,327	(3.4)	36,100,233	28,280,017	64,380,250	2.3
Improvements other than buildings	22,127,620	23,198,280	9,874,001	11,967,148	32,001,621	35,165,428	(9.0)	24,276,524	13,915,947	38,192,471	(7.9)
Furniture, machinery, and equipment	<u>4,155,082</u>	<u>5,016,609</u>	<u>1,356,999</u>	<u>1,613,535</u>	<u>5,512,081</u>	<u>6,630,144</u>	(16.9)	<u>6,183,712</u>	<u>2,215,695</u>	<u>8,399,407</u>	(21.1)
Total depreciable assets	<u>60,105,550</u>	<u>63,176,122</u>	<u>41,026,142</u>	<u>44,452,777</u>	<u>101,131,692</u>	<u>107,628,899</u>	(6.0)	<u>66,560,469</u>	<u>44,411,659</u>	<u>110,972,128</u>	(3.0)
Total	<u>\$72,241,831</u>	<u>\$72,635,689</u>	<u>\$43,931,495</u>	<u>\$46,544,683</u>	<u>\$116,173,326</u>	<u>\$119,180,372</u>	(2.5)	<u>\$76,020,036</u>	<u>\$50,416,014</u>	<u>\$126,436,050</u>	(5.7)

In 2022 governmental activities land increased by \$2.59 million due to the purchase of the Crosstown Boulevard property and construction in progress increased by \$86 thousand due to construction costs. Depreciable assets in governmental activities decreased \$3.07 million due to normal depreciation of \$3.22 million offset by the purchase of equipment by ASM for \$152 thousand. 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 2022 business-type construction in progress increased \$813 thousand due to Fairgrounds parking lot construction. Depreciable assets for business type activities decreased \$3.43 million in 2022 due to \$3.63 million in normal depreciation, offset primarily by asset additions of \$79 thousand for golf course equipment. In 2021 business-type construction in progress decreased \$3.91 million primarily due to the completion of the Fairgrounds holding pond project, the new Fairgrounds 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. See Note II. E. for more information regarding capital assets.

Long-term Debt

Advances

At June 30, 2022 and 2021, the Authority had total advances outstanding of \$614,344 and \$2,652,741, 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 \$68,645,000 including fairgrounds bonded debt outstanding of \$61,015,000 and golf bonded debt of \$7,630,000. 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							
			2022 - 2021		2021 - 2020			
	2022	2021	Amount of	% Change	2020	Amount of	% Change	2021 - 2020
Advances	\$614,344	\$2,652,741	(\$2,038,397)	(76.8%)	\$2,746,979	(\$94,238)	(3.4%)	
Revenue bonds	<u>68,645,000</u>	<u>72,895,000</u>	<u>(4,250,000)</u>	(5.8)	<u>76,960,000</u>	<u>(4,065,000)</u>	(5.3)	
	<u>\$69,259,344</u>	<u>\$75,547,741</u>	<u>(\$6,288,397)</u>	(8.3)	<u>\$79,706,979</u>	<u>(\$4,159,238)</u>	(5.2)	

The change in outstanding debt in 2022 for advances is primarily due to writing off the Hockey loan portion because Prairie Surf now leases the building resulting in no ticketed events being held to support debt repayment. The decrease in revenue bonds is due to the scheduled payments of \$4.25 million. 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. 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 7.8%, primarily due to increases in daily rounds. Culture and recreation activities and Fairgrounds activities were significantly impacted by the ability to open their doors and host events after the coronavirus pandemic shut down.

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

	2022			2021 (Restated)		
	Governmental	Business-type	Total	Governmental	Business-type	Total
	Activities	Activities		Activities	Activities	
ASSETS						
CURRENT ASSETS						
Cash-----	\$24,574,459	\$4,698,059	\$29,272,518	\$14,526,097	\$3,279,268	\$17,805,365
Investments-----	12,768,575	10,428,531	23,197,106	12,887,257	11,037,684	23,924,941
Property taxes receivable-----	3,179	-	3,179	2,864	-	2,864
Accounts receivable, net-----	3,325,692	23	3,325,715	1,905,181	89	1,905,270
Leases receivable, net-----	3,523,685	-	3,523,685	2,698,205	-	2,698,205
Interest, dividends, and royalties receivable-----	77,063	25,777	102,840	125,855	23,643	149,498
Receivable from the City of Oklahoma City-----	-	15,733	15,733	27,281	1,640	28,921
Receivable from component units-----	4,214	-	4,214	10,172	-	10,172
Advanced funding-----	-	-	-	162,887	-	162,887
Inventories and prepaids-----	372,465	395,366	767,831	287,501	355,638	643,139
Total current assets-----	44,649,332	15,563,489	60,212,821	32,633,300	14,697,962	47,331,262
NON-CURRENT ASSETS						
Investments-----	-	1,261,683	1,261,683	-	1,261,328	1,261,328
Leases receivable-----	11,837,418	-	11,837,418	15,034,415	-	15,034,415
Prepaids, non-current-----	-	166,283	166,283	-	179,890	179,890
Net pension asset-----	-	1,365,427	1,365,427	-	-	-
Capital assets:						
Land and construction in progress-----	12,136,281	2,905,353	15,041,634	9,459,567	2,091,906	11,551,473
Other capital assets, net of accumulated depreciation-----	60,105,550	41,026,142	101,131,692	63,176,122	44,452,777	107,628,899
Capital assets, net-----	72,241,831	43,931,495	116,173,326	72,635,689	46,544,683	119,180,372
Total non-current assets-----	84,079,249	46,724,888	130,804,137	87,670,104	47,985,901	135,656,005
Total assets-----	128,728,581	62,288,377	191,016,958	120,303,404	62,683,863	182,987,267
DEFERRED OUTFLOWS OF RESOURCES-----	-	1,977,043	1,977,043	-	2,101,308	2,101,308
LIABILITIES						
CURRENT LIABILITIES						
Accounts payable and accrued expenses-----	4,860,961	1,338,140	6,199,101	4,010,216	616,789	4,627,005
Wages and benefits payable-----	-	220,186	220,186	-	276,847	276,847
Payable to City of Oklahoma City-----	1,471,663	204,472	1,676,135	874,014	236,287	1,110,301
Payable to component units-----	-	-	-	2,313,000	-	2,313,000
Compensated absences-----	-	37,157	37,157	-	43,256	43,256
Unearned revenue-----	14,020,501	-	14,020,501	7,282,415	-	7,282,415
Bond interest payable-----	-	808,005	808,005	-	855,755	855,755
Bonds payable-----	-	4,445,000	4,445,000	-	4,250,000	4,250,000
Total current liabilities-----	20,353,125	7,052,960	27,406,085	14,479,645	6,278,934	20,758,579
NON-CURRENT LIABILITIES						
Compensated absences-----	-	106,758	106,758	-	84,205	84,205
Payable to City of Oklahoma City-----	522,043	-	522,043	2,444,197	31,482	2,475,679
Bonds payable-----	-	64,200,000	64,200,000	-	68,645,000	68,645,000
Unamortized bond discount/premium-----	-	4,295,342	4,295,342	-	4,930,656	4,930,656
Bonds payable, net-----	-	68,495,342	68,495,342	-	73,575,656	73,575,656
Net pension liability-----	-	-	-	-	591,369	591,369
Net other post-employment benefit liability-----	-	5,493,094	5,493,094	-	5,858,944	5,858,944
Total non-current liabilities-----	522,043	74,095,194	74,617,237	2,444,197	80,141,656	82,585,853
Total liabilities-----	20,875,168	81,148,154	102,023,322	16,923,842	86,420,590	103,344,432
DEFERRED INFLOWS OF RESOURCES-----	13,552,415	4,085,006	17,637,421	16,820,420	2,499,088	19,319,508
NET POSITION (DEFICIT)						
Net investment in capital assets-----	72,156,251	(27,285,662)	44,870,589	72,635,689	(28,774,408)	43,861,281
Restricted for: Capital projects-----	2,425,729	-	2,425,729	2,388,337	-	2,388,337
Debt service-----	-	4,164,598	4,164,598	-	4,017,624	4,017,624
Public services-----	176,140	-	176,140	457,119	-	457,119
Culture and recreation-----	669,349	-	669,349	910,719	-	910,719
Unrestricted-----	18,873,529	2,153,324	21,026,853	10,167,278	622,277	10,789,555
Total net position (deficit)-----	\$94,300,998	(\$20,967,740)	\$73,333,258	\$86,559,142	(\$24,134,507)	\$62,424,635

STATEMENT OF ACTIVITIES
For the Years Ended June 30,

OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY

	2022			2021 (Restated)		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
<u>PROGRAM EXPENSES</u>						
General government-----	\$156,025	\$ -	\$156,025	\$ -	\$ -	\$ -
Police-----	-	-	-	46,778	-	46,778
Public services-----	740,636	-	740,636	618,013	-	618,013
Culture and recreation-----	30,488,874	-	30,488,874	22,489,227	-	22,489,227
Golf courses-----	-	10,620,288	10,620,288	-	10,278,232	10,278,232
Fairgrounds-----	-	6,155,693	6,155,693	-	6,437,197	6,437,197
Financial services-----	-	1,307,076	1,307,076	-	680,725	680,725
Economic development-----	82	-	82	78	-	78
Interest on long-term debt-----	1,519	-	1,519	82,889	-	82,889
Total expenses-----	31,387,136	18,083,057	49,470,193	23,236,985	17,396,154	40,633,139
<u>PROGRAM REVENUES</u>						
<u>CHARGES FOR SERVICES</u>						
General government-----	197,617	-	197,617	486,305	-	486,305
Culture and recreation-----	17,102,795	-	17,102,795	4,810,693	-	4,810,693
Golf courses-----	-	11,987,358	11,987,358	-	10,836,995	10,836,995
Financial services-----	-	1,431,090	1,431,090	-	673,268	673,268
Total charges for services-----	17,300,412	13,418,448	30,718,860	5,296,998	11,510,263	16,807,261
<u>OPERATING GRANTS AND CONTRIBUTIONS</u>						
General government-----	18,904,982	-	18,904,982	18,981,515	-	18,981,515
Public services-----	2,537	-	2,537	3,161	-	3,161
Culture and recreation-----	63,529	-	63,529	124,418	-	124,418
Golf courses-----	-	1,506,909	1,506,909	-	1,288,863	1,288,863
Fairgrounds-----	-	6,385,482	6,385,482	-	6,469,853	6,469,853
Economic development-----	(1,617)	-	(1,617)	14	-	14
Total operating grants and contributions-----	18,969,431	7,892,391	26,861,822	19,109,108	7,758,716	26,867,824
<u>CAPITAL GRANTS AND CONTRIBUTIONS</u>						
Public services-----	2,313,000	-	2,313,000	-	-	-
Culture and recreation-----	62,161	-	62,161	-	-	-
Total capital grants and contributions-----	2,375,161	-	2,375,161	-	-	-
Total program revenues-----	38,645,004	21,310,839	59,955,843	24,406,106	19,268,979	43,675,085
Net program revenues-----	7,257,868	3,227,782	10,485,650	1,169,121	1,872,825	3,041,946
<u>GENERAL REVENUES</u>						
Tax incremental financing property taxes-----	71,817	-	71,817	69,676	-	69,676
Unrestricted investment income-----	(233,996)	(61,015)	(295,011)	8,487	2,005	10,492
Miscellaneous-----	646,167	-	646,167	17,966	-	17,966
Total general revenues-----	483,988	(61,015)	422,973	96,129	2,005	98,134
Changes in net position-----	7,741,856	3,166,767	10,908,623	1,265,250	1,874,830	3,140,080
<u>NET POSITION BEGINNING</u>						
Net position-beginning-----	86,559,142	(24,134,507)	62,424,635	85,293,892	(26,009,337)	59,284,555
Net position-ending-----	\$94,300,998	(\$20,967,740)	\$73,333,258	\$86,559,142	(\$24,134,507)	\$62,424,635

**BALANCE SHEET
GOVERNMENTAL FUND
June 30,**

**OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY**

	<u>2022</u>	<u>2021</u> <u>(Restated)</u>
	<u>General Purpose Fund</u>	<u>General Purpose Fund</u>
<u>ASSETS</u>		
Pooled cash-----	\$288,486	\$246,658
Non-pooled cash-----	24,285,973	14,279,439
Investments-----	12,768,575	12,887,257
Property taxes receivable-----	3,179	2,864
Accounts receivable-----	3,325,692	1,905,181
Leases receivable-----	3,523,685	2,698,205
Interest, dividends, and royalties receivable-----	77,063	125,855
Receivable from City of Oklahoma City-----	-	27,281
Receivable from component units-----	4,214	10,172
Advanced funding-----	-	162,887
Inventories-----	267,474	165,005
Prepays-----	104,991	122,496
Leases receivable, non-current-----	11,837,418	15,034,415
Total assets-----	<u>\$56,486,750</u>	<u>\$47,667,715</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</u>		
<u>LIABILITIES</u>		
Accounts payable and accrued expenditures-----	\$4,860,961	\$4,010,216
Payable to City of Oklahoma City-----	1,210,242	442,338
Payable to component units, current-----	-	2,313,000
Unearned revenue-----	14,020,501	7,282,415
Total liabilities-----	<u>20,091,704</u>	<u>14,047,969</u>
<u>DEFERRED INFLOWS OF RESOURCES</u> -----	<u>13,730,881</u>	<u>17,479,410</u>
<u>FUND BALANCES</u>		
Non-spendable-----	1,636,922	2,058,604
Restricted-----	3,242,499	3,466,504
Committed-----	1,040,697	993,678
Assigned-----	15,207,589	8,191,357
Unassigned-----	1,536,458	1,430,193
Total fund balance-----	<u>22,664,165</u>	<u>16,140,336</u>
Total liabilities, deferred inflows of resources, and fund balance-----	<u>\$56,486,750</u>	<u>\$47,667,715</u>
<u>RECONCILIATION OF THE BALANCE SHEET, GOVERNMENTAL FUND TO THE STATEMENT OF NET POSITION, GOVERNMENTAL ACTIVITIES</u>		
Total fund balance-----	\$22,664,165	\$16,140,336
Capital assets, net of accumulated depreciation-----	72,241,831	72,635,689
Revenue earned but not available-----	178,466	658,990
Long-term payable to the City of Oklahoma City, current-----	(261,421)	(431,676)
Long-term payable to the City of Oklahoma City, non-current-----	(522,043)	(2,444,197)
Net position-governmental activities-----	<u>\$94,300,998</u>	<u>\$86,559,142</u>

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

**OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY**

	<u>2022</u>	<u>2021</u> <u>(Restated)</u>
	<u>General Purpose Fund</u>	<u>General Purpose Fund</u>
<u>REVENUES</u>		
Tax incremental financing property taxes-----	\$71,502	\$70,926
Facility fees-----	-	125,000
Investment income-----	(156,708)	161,003
Public events charges-----	13,359,541	1,564,793
Other charges for services-----	494,042	218,960
Lease and rental income-----	3,446,831	3,222,565
Payments from component units-----	2,313,000	-
Payments from the City of Oklahoma City-----	18,904,982	18,965,675
Other-----	1,114,167	194,422
Total revenues-----	<u>\$39,547,357</u>	<u>24,523,344</u>
<u>EXPENDITURES</u>		
<u>CURRENT</u>		
Payments to the City of Oklahoma City-----	156,025	-
General government-----	-	-
Police-----	-	46,778
Public services-----	162,887	40,260
Culture and recreation-----	27,844,351	19,682,633
Economic development-----	82	78
Capital outlay-----	2,828,416	-
<u>DEBT SERVICE</u>		
Interest-----	1,519	82,889
Long-term payable to the City of Oklahoma City-----	2,092,409	-
Total expenditures-----	<u>33,085,689</u>	<u>19,852,638</u>
Excess of revenues over expenditures-----	<u>6,461,668</u>	<u>4,670,706</u>
<u>OTHER FINANCING SOURCES</u>		
Sale of assets-----	62,161	27,725
Long-term payable to the City of Oklahoma City-----	-	23,150
Net other financing sources-----	<u>62,161</u>	<u>50,875</u>
Net change in fund balance-----	<u>6,523,829</u>	<u>4,721,581</u>
Fund balance, beginning-----	16,140,336	11,418,755
Fund balance, ending-----	<u>22,664,165</u>	<u>\$16,140,336</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-----	6,523,829	4,721,581
Capital outlay-----	2,828,415	-
Depreciation and Amortization expense-----	(3,222,273)	(3,260,560)
Loss on disposal of assets-----	-	(123,786)
Recognition of earned but unavailable revenue-----	(480,524)	(48,835)
Long-term payable to the City of Oklahoma City-----	2,092,409	(23,150)
Change in net position-governmental activities-----	<u>\$7,741,856</u>	<u>\$1,265,250</u>

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

**OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY**

	2022				2021			
	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-----	\$86,624	\$60,523	\$6,904	\$154,051	\$33,338	\$63,373	\$2,457	\$99,168
Non-pooled cash-----	4,544,008	-	-	4,544,008	3,180,100	-	-	3,180,100
Investments-----	2,919,099	7,213,926	295,506	10,428,531	2,601,677	8,318,852	117,155	11,037,684
Accounts receivable, net-----	23	-	-	23	89	-	-	89
Interest, dividends, and royalties receivable-----	9,696	14,823	1,258	25,777	7,618	15,538	487	23,643
Due within Authority-----	-	-	-	-	-	-	-	-
Receivable from the City of Oklahoma City-----	-	-	15,733	15,733	1,640	-	-	1,640
Inventories-----	370,075	-	-	370,075	342,021	-	-	342,021
Prepays-----	1,675	23,616	-	25,291	1,675	11,942	-	13,617
Total current assets-----	7,931,200	7,312,888	319,401	15,563,489	6,168,158	8,409,705	120,099	14,697,962
Investments-----	455,710	805,973	-	1,261,683	455,710	805,618	-	1,261,328
Prepays, non-current-----	-	166,283	-	166,283	1,683	178,207	-	179,890
Net pension asset-----	1,365,427	-	-	1,365,427	-	-	-	-
Land and construction in progress-----	-	2,905,353	-	2,905,353	-	2,091,906	-	2,091,906
Other capital assets, net of accumulated depreciation-----	8,332,408	32,693,734	-	41,026,142	8,705,881	35,746,896	-	44,452,777
Capital assets, net-----	8,332,408	35,599,087	-	43,931,495	8,705,881	37,838,802	-	46,544,683
Total non-current assets-----	10,153,545	36,571,343	-	46,724,888	9,163,274	38,822,627	-	47,985,901
Total assets-----	18,084,745	43,884,231	319,401	62,288,377	15,331,432	47,232,332	120,099	62,683,863
DEFERRED OUTFLOWS OF RESOURCES-----	1,847,625	129,418	-	1,977,043	1,960,470	140,838	-	2,101,308
LIABILITIES								
CURRENT LIABILITIES								
Accounts payable and accrued expenses-----	679,400	491,972	166,768	1,338,140	467,380	64,734	84,675	616,789
Wages and benefits payable-----	220,186	-	-	220,186	276,847	-	-	276,847
Payable to City of Oklahoma City-----	204,472	-	-	204,472	236,287	-	-	236,287
Compensated absences-----	37,157	-	-	37,157	43,256	-	-	43,256
Bond interest payable-----	65,044	742,961	-	808,005	72,232	783,523	-	855,755
Bonds payable-----	955,000	3,490,000	-	4,445,000	925,000	3,325,000	-	4,250,000
Total current liabilities-----	2,161,259	4,724,933	166,768	7,052,960	2,021,002	4,173,257	84,675	6,278,934
NON-CURRENT LIABILITIES								
Compensated absences-----	106,758	-	-	106,758	84,205	-	-	84,205
Payable to City of Oklahoma City-----	-	-	-	-	31,482	-	-	31,482
Bonds payable:								
Bonds payable-----	6,675,000	57,525,000	-	64,200,000	7,630,000	61,015,000	-	68,645,000
Unamortized bond discount/premium-----	17,932	4,277,410	-	4,295,342	20,057	4,910,599	-	4,930,656
Bonds payable, net-----	6,692,932	61,802,410	-	68,495,342	7,650,057	65,925,599	-	73,575,656
Net pension liability-----	-	-	-	-	591,369	-	-	591,369
Net other post-employment benefit liability-----	5,493,094	-	-	5,493,094	5,858,944	-	-	5,858,944
Total non-current liabilities-----	12,292,784	61,802,410	-	74,095,194	14,216,057	65,925,599	-	80,141,656
Total liabilities-----	14,454,043	66,527,343	166,768	81,148,154	16,237,059	70,098,856	84,675	86,420,590
DEFERRED INFLOWS OF RESOURCES-----	3,975,540	109,466	-	4,085,006	2,374,695	124,393	-	2,499,088
NET POSITION (DEFICIT)								
Net investment in capital assets-----	1,353,250	(28,638,912)	-	(27,285,662)	799,776	(29,574,184)	-	(28,774,408)
Restricted for debt service-----	741,125	3,423,473	-	4,164,598	718,252	3,299,372	-	4,017,624
Unrestricted-----	(591,588)	2,592,279	152,633	2,153,324	(2,837,880)	3,424,733	35,424	622,277
Total net position (deficit)-----	\$1,502,787	(\$22,623,160)	\$152,633	(\$20,967,740)	(\$1,319,852)	(\$22,850,079)	\$35,424	(\$24,134,507)

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

**OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY**

	2022				2021				
	Enterprise Funds				Enterprise Funds				
	Golf		Financial		Golf		Financial		
	Courses	Fairgrounds	Services	Total	Courses	Fairgrounds	Services	Total	
	Fund	Fund	Fund	Total		Fund	Fund	Fund	Total
<u>OPERATING REVENUES</u>									
<u>CHARGES FOR SERVICES</u>									
Green fees-----	\$6,996,854	\$ -	\$ -	\$6,996,854	\$6,543,922	\$ -	\$ -	\$6,543,922	
Concessions-----	1,418,237	-	-	1,418,237	1,144,147	-	-	1,144,147	
Natural gas charges-----	-	-	1,411,626	1,411,626	-	-	673,268	673,268	
Other charges-----	15,930	-	19,464	35,394	3,992	-	-	3,992	
Total charges for services-----	8,431,021	-	1,431,090	9,862,111	7,692,061	-	673,268	8,365,329	
Golf cart rentals-----	3,464,708	-	-	3,464,708	3,134,810	-	-	3,134,810	
Other rental income-----	40,288	-	-	40,288	-	-	-	-	
Other-----	11,265	-	-	11,265	8,808	-	-	8,808	
Total operating revenues-----	11,947,282	-	1,431,090	13,378,372	10,835,679	-	673,268	11,508,947	
<u>OPERATING EXPENSES</u>									
Personal services-----	3,833,892	-	-	3,833,892	4,600,058	-	-	4,600,058	
Maintenance, operations, and contractual services-----	3,388,585	350,728	1,307,076	5,046,389	2,736,603	390,560	680,725	3,807,888	
Materials and supplies-----	2,274,255	236,106	-	2,510,361	1,927,965	296,218	-	2,224,183	
Depreciation-----	452,005	3,181,174	-	3,633,179	717,740	3,242,849	-	3,960,589	
Total operating expenses-----	9,948,737	3,768,008	1,307,076	15,023,821	9,982,366	3,929,627	680,725	14,592,718	
Operating income (loss)-----	1,998,545	(3,768,008)	124,014	(1,645,449)	853,313	(3,929,627)	(7,457)	(3,083,771)	
<u>NON-OPERATING REVENUE (EXPENSE)</u>									
Investment income-----	(50,213)	(83,896)	(6,805)	(140,914)	1,771	6,373	214	8,358	
Interest on bonds and notes-----	(268,677)	(2,375,710)	-	(2,644,387)	(298,088)	(2,495,546)	-	(2,793,634)	
Bond insurance-----	-	(11,975)	-	(11,975)	-	(12,024)	-	(12,024)	
Amortization-----	2,126	-	-	2,126	2,222	-	-	2,222	
Payments from City of Oklahoma City-----	1,505,782	6,466,508	-	7,972,290	1,288,741	6,463,622	-	7,752,363	
Payments to City of Oklahoma City-----	(405,000)	-	-	(405,000)	-	-	-	-	
Other revenue-----	40,076	-	-	40,076	1,316	-	-	1,316	
Net non-operating revenue (expense)-----	824,094	3,994,927	(6,805)	4,812,216	995,962	3,962,425	214	4,958,601	
Changes in net position-----	2,822,639	226,919	117,209	3,166,767	1,849,275	32,798	(7,243)	1,874,830	
Total net assets (deficit), beginning-----	(1,319,852)	(22,850,079)	35,424	(24,134,507)	(3,169,127)	(22,882,877)	42,667	(26,009,337)	
Total net position (deficit), ending-----	\$1,502,787	(\$22,623,160)	\$152,633	(\$20,967,740)	(\$1,319,852)	(\$22,850,079)	\$35,424	(\$24,134,507)	

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

**OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY**

	2022				2021			
	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>Fund</u>	<u>Fund</u>	<u>Fund</u>		
<u>CASH FLOWS FROM OPERATING</u>								
<u>ACTIVITIES</u>								
Cash received from customers-----	\$11,968,103	\$ -	\$1,415,358	\$13,383,461	\$10,930,294	\$ -	\$673,268	\$11,603,562
Cash payments to suppliers for goods and services-----	(5,250,155)	(589,637)	(1,224,983)	(7,064,775)	(4,422,440)	(706,541)	(623,922)	(5,752,903)
Cash payments to employees and professional contractors for services-----	(4,467,167)	-	-	(4,467,167)	(4,055,137)	-	-	(4,055,137)
Cash payments for internal services-----	(226,638)	-	-	(226,638)	(233,365)	(39,212)	-	(272,577)
Operating payments from City of Oklahoma City-----	1,110,638	6,466,508	-	7,577,146	1,288,740	6,507,374	-	7,796,114
Operating payments to City of Oklahoma City-----	(81,221)	-	-	(81,221)	(38,253)	-	-	(38,253)
Net cash provided by operating activities-----	3,053,560	5,876,871	190,375	9,120,806	3,469,839	5,761,621	49,346	9,280,806
<u>CASH FLOWS FROM CAPITAL AND</u>								
<u>CAPITAL RELATED FINANCING</u>								
<u>ACTIVITIES</u>								
Payments for acquisition and construction of capital assets-----	(78,532)	(523,143)	-	(601,675)	(16,980)	(132,413)	-	(149,393)
Principal paid on long-term debt-----	(925,000)	(3,325,000)	-	(4,250,000)	(900,000)	(3,165,000)	-	(4,065,000)
Interest paid on long-term debt-----	(275,682)	(3,052,969)	-	(3,328,651)	(303,030)	(3,211,306)	-	(3,514,336)
Proceeds from sale of assets-----	12,561	-	-	12,561	820	-	-	820
Net cash provided (used) by capital and capital related financing activities-----	(1,266,653)	(6,901,112)	-	(8,167,765)	(1,219,190)	(6,508,719)	-	(7,727,909)
<u>CASH FLOWS FROM INVESTING</u>								
<u>ACTIVITIES</u>								
Payments for purchase of investments-----	(1,215,600)	(21,868,229)	-	(23,083,829)	(1,214,880)	(6,662,791)	-	(7,877,671)
Proceeds from sale of investments-----	1,199,911	22,164,894	-	23,364,805	1,203,020	6,984,539	-	8,187,559
Changes in pooled investments-----	(301,732)	807,906	(178,352)	327,822	(757,077)	481,842	(47,244)	(322,479)
Investment income received-----	(52,292)	(83,180)	(7,592)	(143,064)	(2,297)	4,753	(47)	2,409
Purchased interest-----	-	-	16	16	-	-	-	-
Net cash provided (used) by investing activities-----	(369,713)	1,021,391	(185,928)	465,750	(771,234)	808,343	(47,291)	(10,182)
Net increase (decrease) in cash-----	1,417,194	(2,850)	4,447	1,418,791	1,479,415	61,245	2,055	1,542,715
Cash, beginning-----	3,213,438	63,373	2,457	3,279,268	1,734,023	2,128	402	1,736,553
Cash, ending-----	\$4,630,632	\$60,523	\$6,904	\$4,698,059	\$3,213,438	\$63,373	\$2,457	\$3,279,268

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

**OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY**

	2022				2021			
	Enterprise Funds				Enterprise Funds			
	Golf	Fairgrounds	Financial	Total	Golf	Fairgrounds	Financial	Total
	Courses		Services		Courses		Services	
<u>Fund</u>	<u>Fund</u>	<u>Fund</u>		<u>Fund</u>	<u>Fund</u>	<u>Fund</u>		
RECONCILIATION OF OPERATING								
INCOME/(LOSS) TO NET CASH								
PROVIDED BY OPERATING ACTIVITIES								
Operating income (loss)-----	\$1,998,545	(\$3,768,008)	\$124,014	(\$1,645,449)	\$853,313	(\$3,929,627)	(\$7,457)	(\$3,083,771)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET								
CASH PROVIDED BY OPERATING ACTIVITIES								
Depreciation-----	452,005	3,181,174	-	3,633,179	717,740	3,242,849	-	3,960,589
Other revenue (expense)-----	27,515	(11,975)	-	15,540	498	(12,024)	-	(11,526)
Changes in assets and liabilities:	-	-	-	-	-	-	-	-
(Increase) decrease in accounts receivable-----	66	-	-	66	7,564	-	-	7,564
(Increase) decrease in receivable from component units-----	1,102,422	6,466,508	(15,733)	7,553,197	1,316,249	6,522,315	-	7,838,564
(Increase) decrease in receivable from City of								
(Increase) decrease in inventories-----	(28,054)	-	-	(28,054)	(7,422)	-	-	(7,422)
(Increase) decrease in prepaid assets-----	1,683	250	-	1,933	(2,729)	12,024	-	9,295
(Increase) decrease in net pension asset-----	(1,365,427)	-	-	(1,365,427)	146,948	-	-	146,948
(Increase) decrease in deferred outflows-----	112,663	-	-	112,663	(1,031,074)	-	-	(1,031,074)
Increase (decrease) in accounts payable and accrued expenses-----	212,020	8,922	82,094	303,036	87,928	(30,164)	56,803	114,567
Increase (decrease) in wages and benefits payable-----	(56,661)	-	-	(56,661)	33,982	-	-	33,982
Increase (decrease) in payable to City of Oklahoma City-----	(63,297)	-	-	(63,297)	(49,163)	(43,752)	-	(92,915)
Increase (decrease) in compensated absences-----	16,454	-	-	16,454	(6,827)	-	-	(6,827)
Increase (decrease) in net pension liability-----	(591,369)	-	-	(591,369)	591,369	-	-	591,369
Increase (decrease) in net other post-employment benefit liability-----	(365,850)	-	-	(365,850)	543,198	-	-	543,198
Increase (decrease) in deferred inflows-----	1,600,845	-	-	1,600,845	268,265	-	-	268,265
Total adjustments-----	1,055,015	9,644,879	66,361	10,766,255	2,616,526	9,691,248	56,803	12,364,577
Net cash provided by operating activities-----	\$3,053,560	\$5,876,871	\$190,375	\$9,120,806	\$3,469,839	\$5,761,621	\$49,346	\$9,280,806

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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, 2022 and 2021.

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 Annual Comprehensive 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 2022, the Authority implemented the following accounting standards. Except for GASB Statement No. 87, implementation of these standards did not have a material impact on the Authority's financial statements.

The Authority implemented GASB Statement No. 87, Leases. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. This Statement established a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. This standard was applied retrospectively. See Note IV.A. Change in Accounting Principal for impact of implementing this standard.

The Authority implemented GASB Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period. The primary objectives of this statement are to improve the consistency of comparability of financial reporting in financial statements using both economic resources measurement focus and the current financial resources measurement focus. Prior to this statement funds using the economic resources measurement focus were capitalizing interest costs incurred before the end of a construction period and governmental funds using the current financial resources measurement focus were expensing these costs as period costs. Going forward all funds will expense interest costs incurred before the end of a construction period as period costs. This standard has been applied prospectively.

The Authority implemented GASB Statement No. 92, Omnibus 2020. The objective of this Statement is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements.

The Authority implemented all requirements of GASB Statement No. 93, Replacement of Interbank Offered Rate (IBOR)-most notably, the London Interbank Offered Rate (LIBOR) 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 being phased out and will cease to exist at the end of fiscal year 2023, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates. All Authority agreements referencing the use of LIBOR rates have been adjusted.

The Authority implemented GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans effective for the Authority in fiscal year 2022. This statement provides guidance on financial reporting for certain 457 deferred compensation plans amending prior pronouncements No. 14 and No. 84.

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 2021. 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. LEASE RECEIVABLES

Lease receivables are reported for lease arrangements in which the Authority is providing the right for another entity to use its nonfinancial assets as stated in a contract for a period of time in an exchange or exchange like transaction. Management determines the allowance for uncollectible leases by identifying known leases that will not be collected and by estimating the remaining leases that are likely not to be collected. Currently, management has determined that all lease receivables are collectable.

I. D. 4. 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. 5. 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. 6. 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. 7. 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. 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.

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 assets 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 assets that apply 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.

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. SHORT TERM LEASES AND OPERATING AGREEMENTS

The following leases have multi-year lease terms; however are cancelable by either party with a noncancelable period, including notice periods of less than 12 months and are therefore considered short-term leases under GASB 87 or the agreement lacks economic substance and is not considered a lease under GASB 87 requirements.

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, Trospen 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 by professional managers under a professional services agreement. The golf facilities are 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 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.

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, 73102.

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 three-year professional services agreements. These professional services agreements provide for compensation to be paid monthly to the professional managers and are based on a management fee plus incentives. Incentives are based on hitting a certain amount of rounds base on each golf courses round history. 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.

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.

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 agreement 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.

Clubhouse Reserve Funds

On October 12, 2021 the Trustees of the Authority approved separate management agreements with each Golf Course Director of Golf. These newly updated agreements included language that each Director of Golf would be responsible to pay a lease payment to the Authority for the space containing their private retail business. Effective November 23, 2021, the Golf Commission recommended, and the Trustees of the Authority approved, the creation of a Clubhouse Reserve fund for these payments made by the Directors of Golf. These payments are based on the square footage at each golf course. The use of these funds is subject to approval of the Golf Commission and the General Manager of the Trust.

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, 2022 and 2021, 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 \$23.79 million and \$14.03 million, respectively, held by ASM that exceeds federally insured limits.

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.

NOTES TO FINANCIAL STATEMENTS
June 30, 2022 and 2021

OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY

2022

	Cost	Fair Value/	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Measured at NAV (1)	Average	Weighted Average (months) (3)
		Carrying Amount					Credit Quality/ Ratings (2)	
<u>POOLED</u>								
<u>INVESTMENTS</u>								
Money								
market (4)(5)	\$4,297,480	\$4,297,480	\$4,297,480	\$ -	\$ -	\$ -	AAA/Aaa	1.63
Federal								
Obligations	3,066,666	2,998,890	-	2,998,890	-	-	AA+/Aaa	6.02
US Treasury								
Notes	9,409,009	8,841,992	-	8,841,992	-	-	N/A	21.45
Fannie Mae	<u>2,037,560</u>	<u>1,932,746</u>	<u>-</u>	<u>1,932,746</u>	<u>-</u>	<u>-</u>	AA+/Aaa	30.73
Total pooled investments	<u>18,810,715</u>	<u>18,071,108</u>	<u>4,297,480</u>	<u>13,773,628</u>	<u>-</u>	<u>-</u>		
<u>NON-POOLED</u>								
<u>INVESTMENTS</u>								
Money								
market (4)(5)	<u>6,387,681</u>	<u>6,387,681</u>	<u>6,387,681</u>	<u>-</u>	<u>-</u>	<u>-</u>	AAA/Aaa	1.33
Total investments	<u>\$25,198,396</u>	<u>\$24,458,789</u>	<u>\$10,685,161</u>	<u>\$13,773,628</u>	<u>\$-</u>	<u>\$-</u>		

(Continued)

Investments (continued)

		2021							
		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)	\$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>			

- (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 investment grade obligations of this state; provided, that any such security shall be rated A+ or better by Standard and Poor's Corporation or A1 or better by Moody's Investor Service or an equivalent investment grade by a securities ratings organization accepted by the National Association of Insurance Commissioners including investment grade obligations of state agencies; (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) County, municipal or school district direct debt obligations for which an ad valorem tax may be levied or bond and revenue anticipation notes, money judgements against such county, municipality or school district ordered by a court of record or bonds or bond revenue anticipation notes issued by a public trust of which such county, municipality or school district is a beneficiary thereof; (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		
Direct debt obligations and judgements	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 Authority 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

	<u>2022</u>		<u>2021</u>	
	Golf System	Fairgrounds	Golf System	Fairgrounds
	<u>Revenue Bonds</u>	<u>Revenue Bonds</u>	<u>Revenue Bonds</u>	<u>Revenue Bonds</u>
Bond principal and interest	\$806,148	\$3,360,461	\$790,463	\$3,277,277
Construction accounts	6,114	953,275	6,110	1,333,480
Bond reserve	455,710	805,973	455,710	805,618
	<u>\$1,267,972</u>	<u>\$5,119,709</u>	<u>\$1,252,283</u>	<u>\$5,416,375</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 2022 and 2021, respectively, the Authority recognized \$3,179 and \$2,864 in property taxes receivable.

Accounts Receivable

	<u>2022</u>	<u>2021</u>
<i>Governmental activities</i>		
Ticket and event receivables	\$3,147,214	\$934,775
Other receivables	<u>178,478</u>	<u>970,406</u>
	<u>\$3,325,692</u>	<u>\$1,905,181</u>
<i>Business-type activities</i>		
Golf course miscellaneous receivables	<u>\$23</u>	<u>\$89</u>

Advance Funding

The Authority advances funds to a management company to operate the City's business improvement districts. As of 2021, \$162,887 was unexpended. In 2022 it was decided the advanced funding needed to be expensed toward the downtown district that is no longer active.

II. C. LEASE RECEIVABLE AND REVENUE

	Lease Term	Interest Rate	2022			
			Lease Receivable	Deferred Inflow	Lease Revenue (1)	Interest Revenue
Prairie Surf	60 months	0.561%	\$679,306	\$498,264	\$142,361	\$3,930
MB LLC Bricktown Ballpark	254 months	1.614%	3,547,823	3,131,418	163,378	55,517
PBC Arena Use License	70.3 months	0.624%	7,582,149	6,065,471	1,572,373	52,754
Verizon Antenna System	34 months	0.427%	-	117,376	140,852	-
US Cellular Antenna System	40 months	0.427%	72,107	92,741	69,556	409
AT&T Antenna System	35 months	0.427%	-	183,315	199,980	815
Sprint Antenna System	49 months	0.474%	283,415	286,219	137,386	1,399
T-Mobile Antenna System	80.4 months	0.727%	736,276	825,664	175,613	6,167
NBA Practice Facility	58.3 months	0.521%	303,942	302,781	105,959	1,792
Integrus Health Naming Rights	52 months	0.474%	148,939	173,229	99,241	999
Paycom Center Naming Rights	70.3 months	0.624%	<u>2,007,146</u>	<u>1,875,937</u>	<u>497,744</u>	<u>12,880</u>
			<u>\$15,361,103</u>	<u>\$13,552,415</u>	<u>\$3,304,443</u>	<u>\$136,662</u>

	Lease Term	Interest Rate	2021			
			Lease Receivable	Deferred Inflow	Lease Revenue (1)	Interest Revenue
Prairie Surf	60 months	0.561%	\$711,804	\$640,625	\$71,181	\$1,969
MB LLC Bricktown Ballpark	254 months	1.614%	3,458,174	3,294,796	163,378	55,662
PBC Arena Use License	70.3 months	0.624%	8,829,157	7,637,844	1,572,373	56,805
Verizon Antenna System	34 months	0.427%	-	258,228	140,852	-
US Cellular Antenna System	40 months	0.427%	141,807	162,297	69,556	702
AT&T Antenna System	35 months	0.427%	207,226	383,296	199,980	1,668
Sprint Antenna System	49 months	0.474%	417,950	423,606	137,386	2,029
T-Mobile Antenna System	80.4 months	0.727%	960,056	1,001,277	175,613	7,345
NBA Practice Facility	58.3 months	0.521%	419,769	408,740	105,959	2,332
Integrus Health Naming Rights	52 months	0.474%	222,883	247,470	49,241	1,345
Paycom Center Naming Rights	70.3 months	0.624%	<u>2,363,794</u>	<u>2,362,241</u>	<u>476,546</u>	<u>15,840</u>
			<u>\$17,732,620</u>	<u>\$16,820,420</u>	<u>\$3,162,065</u>	<u>\$145,697</u>

(1) At June 30, 2022 and 2021, \$142,388 and \$60,500, respectively, included in lease revenues was from variable payments that were not included in the lease measurement.

II. D. INVENTORIES

	<u>2022</u>	<u>2021</u>
<i>Governmental activities</i>		
Food and beverage items and other supplies	\$267,474	\$165,005
 <i>Business-type activities</i>		
Restaurant inventory	54,848	57,285
Cart barn and driving range supplies	75,742	51,769
Maintenance and janitorial supplies	232,009	232,967
Clubhouse	<u>7,476</u>	<u>-</u>
	<u>370,075</u>	<u>342,021</u>
	<u>\$637,549</u>	<u>\$507,026</u>

II. E. PREPAID ASSETS

	<u>2022</u>	<u>2021</u>
<i>Governmental activities</i>		
Software license and support agreements	\$42,070	\$64,398
ASM operations	<u>62,921</u>	<u>58,098</u>
	<u>104,991</u>	<u>122,496</u>
 <i>Business-type activities</i>		
Prepaid insurance	189,900	190,149
Software and vehicle maintenance	<u>1,674</u>	<u>3,358</u>
	<u>191,574</u>	<u>193,507</u>
	<u>\$296,565</u>	<u>\$316,003</u>

NOTES TO FINANCIAL STATEMENTS
June 30, 2022 and 2021

OKLAHOMA CITY PUBLIC
PROPERTY AUTHORITY

II. F. CAPITAL ASSETS

Changes in Capital Assets

	2022							
	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, 2021	\$9,357,815	\$101,752	\$9,459,567	\$50,729,266	\$45,555,622	\$22,308,205	\$118,593,093	\$128,052,660
Increases	<u>2,591,134</u>	<u>85,580</u>	<u>2,676,714</u>	<u>-</u>	<u>-</u>	<u>151,701</u>	<u>151,701</u>	<u>2,828,415</u>
Balance, June 30, 2022	<u>11,948,949</u>	<u>187,332</u>	<u>12,136,281</u>	<u>50,729,266</u>	<u>45,555,622</u>	<u>22,459,906</u>	<u>118,744,794</u>	<u>130,881,075</u>
<u>ACCUMULATED</u>								
<u>DEPRECIATION</u>								
Balance, June 30, 2021				15,768,033	22,357,342	17,291,596	55,416,971	55,416,971
Increases				<u>1,138,385</u>	<u>1,070,660</u>	<u>1,013,228</u>	<u>3,222,273</u>	<u>3,222,273</u>
Balance, June 30, 2022				<u>16,906,418</u>	<u>23,428,002</u>	<u>18,304,824</u>	<u>58,639,244</u>	<u>58,639,244</u>
Total governmental activities	<u>11,948,949</u>	<u>187,332</u>	<u>12,136,281</u>	<u>33,822,848</u>	<u>22,127,620</u>	<u>4,155,082</u>	<u>60,105,550</u>	<u>72,241,831</u>
<i>Business-type Activities</i>								
<u>CAPITAL ASSETS</u>								
Balance, June 30, 2021	2,004,837	87,069	2,091,906	42,883,113	89,466,173	10,059,088	142,408,374	144,500,280
Increases	-	941,460	941,460	-	-	78,531	78,531	1,019,991
Transfers	<u>-</u>	<u>(128,013)</u>	<u>(128,013)</u>	<u>-</u>	<u>128,013</u>	<u>-</u>	<u>128,013</u>	<u>-</u>
Balance, June 30, 2022	<u>2,004,837</u>	<u>900,516</u>	<u>2,905,353</u>	<u>42,883,113</u>	<u>89,594,186</u>	<u>10,137,619</u>	<u>142,614,918</u>	<u>145,520,271</u>
<u>ACCUMULATED</u>								
<u>DEPRECIATION</u>								
Balance, June 30, 2021				12,011,019	77,499,025	8,445,553	97,955,597	97,955,597
Increases				<u>1,076,952</u>	<u>2,221,160</u>	<u>335,067</u>	<u>3,633,179</u>	<u>3,633,179</u>
Balance, June 30, 2022				<u>13,087,971</u>	<u>79,720,185</u>	<u>8,780,620</u>	<u>101,588,776</u>	<u>101,588,776</u>
Total business-type activities	<u>2,004,837</u>	<u>900,516</u>	<u>2,905,353</u>	<u>29,795,142</u>	<u>9,874,001</u>	<u>1,356,999</u>	<u>41,026,142</u>	<u>43,931,495</u>
Total	<u>\$13,953,786</u>	<u>\$1,087,848</u>	<u>\$15,041,634</u>	<u>\$63,617,990</u>	<u>\$32,001,621</u>	<u>\$5,512,081</u>	<u>\$101,131,692</u>	<u>\$116,173,326</u>

(continued)

NOTES TO FINANCIAL STATEMENTS
June 30, 2022 and 2021

OKLAHOMA CITY PUBLIC
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Capital Assets (continued)

	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>

Depreciation Expense

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	
Culture and recreation	\$2,092,683	\$2,097,596	Golf courses	\$452,005	\$717,740
Public services	<u>1,129,590</u>	<u>1,162,964</u>	Fairgrounds	<u>3,181,174</u>	<u>3,242,849</u>
	<u>\$3,222,273</u>	<u>\$3,260,560</u>		<u>\$3,633,179</u>	<u>\$3,960,589</u>

Capitalized Interest

	<u>2022</u>		<u>2021</u>	
	<u>Total Interest Costs Incurred</u>	<u>Capitalized Interest(1)</u>	<u>Total Interest Costs Incurred</u>	<u>Capitalized Interest</u>
<i>Business-type Activities</i>				
Fairgrounds	\$2,375,710	\$ -	\$2,497,016	\$1,470
Golf Courses	<u>268,677</u>	<u>-</u>	<u>298,088</u>	<u>-</u>
	<u>\$2,644,387</u>	<u>\$-</u>	<u>\$2,795,104</u>	<u>\$1,470</u>

(1) See Note I.D.I GASB Statement number 89 eliminating capitalized interest going forward.

II. G. 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 \$2,162 and \$1,980 at June 30, 2022 and 2021, 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 \$41,871 and \$30,451 at June 30, 2022 and 2021, respectively, related to the refunding of the 2007A Hotel Tax Revenue Bonds.

III. LIABILITIES AND DEFERRED INFLOWS OF RESOURCES

III. A. UNEARNED REVENUES

<u>CURRENT</u>	<i>Governmental Activities</i>	
	<u>2022</u>	<u>2021</u>
ASM operations	\$13,983,266	\$7,189,137
Utility Reimbursements	<u>37,235</u>	<u>93,278</u>
	<u>\$14,020,501</u>	<u>\$7,282,415</u>

III. B. COMPENSATED ABSENCES

Compensated absences balances changed from June 30, 2021 to June 30, 2022 by accruals of \$109,416 and usages of \$92,964, and from June 30, 2020 to June 30, 2021 by accruals of \$88,923 and usages of \$95,750.

III. C. REVENUE BONDS

Unamortized Bond Discount/Premium

	2022			2021		
	Golf Courses	Fairgrounds	Total	Golf Courses	Fairgrounds	Total
Bonds payable	\$5,490,000	\$61,015,000	\$66,505,000	\$5,745,000	\$64,340,000	\$70,085,000
Bonds payable from private placements	2,140,000	-	2,140,000	2,810,000	-	2,810,000
Unamortized bond discount/premium	17,932	4,277,410	4,295,342	20,057	4,910,599	4,930,656
Bonds payable, net	\$7,647,932	\$65,292,410	\$72,940,342	\$8,575,057	\$69,250,599	\$77,825,656

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. This agreement lacks economic substance and is not considered a lease under GASB 87 requirements.

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
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	-	-	-	300,000	154,778	454,778
2028-2032	-	-	-	1,655,000	611,660	2,266,660
2033-2037	-	-	-	1,980,000	281,848	2,261,848
2038-2042	—	—	—	<u>445,000</u>	<u>8,566</u>	<u>453,566</u>
	<u>\$2,140,000</u>	<u>\$102,532</u>	<u>\$2,242,532</u>	<u>\$5,490,000</u>	<u>\$1,762,512</u>	<u>\$7,252,512</u>

Fairgrounds Bonds

Fiscal Year	Fairgrounds Series 2011			Fairgrounds Series 2015		
	Principal	Interest	Total	Principal	Interest	Total
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	170,000	313,219	483,219	3,845,000	1,178,625	5,023,625
2028-2032	5,145,000	1,200,225	6,345,225	14,170,000	3,131,250	17,301,250
2033-2037	2,135,000	248,513	2,383,513	3,620,000	1,400,000	5,020,000
2038-2042	—	—	—	<u>3,860,000</u>	<u>295,750</u>	<u>4,155,750</u>
	<u>\$8,065,000</u>	<u>\$3,080,937</u>	<u>\$11,145,937</u>	<u>\$39,095,000</u>	<u>\$12,507,125</u>	<u>\$51,602,125</u>

(continued)

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Fairgrounds Bonds (continued)

Fiscal Year	Fairgrounds Series 2018		
	Principal	Interest	Total
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	230,000	638,150	868,150
2028-2032	4,745,000	2,951,275	7,696,275
2033-2037	<u>8,045,000</u>	<u>407,125</u>	<u>8,452,125</u>
	<u>\$13,855,000</u>	<u>\$6,631,450</u>	<u>\$20,486,450</u>

Revenue Bonds Outstanding

	Amount Issued	Interest Rate %	Issue Date	Principal Maturity Date	2022	2021
					Balance	Balance
Private placement						
Golf System, Series 2010	\$8,465,000	3.15	09-01-10	10-01-23	\$2,140,000	\$2,810,000
Golf System, Series 2012	7,565,000	0.45 - 3.85	07-11-12	10-01-37	5,490,000	5,745,000
Fairgrounds, Series 2011	9,285,000	2.0 - 4.5	10-01-11	10-01-36	8,065,000	8,205,000
Fairgrounds, Series 2015	58,305,000	3.0 - 5.0	07-30-15	10-01-39	39,095,000	42,090,000
Fairgrounds, Series 2018	14,400,000	3.0 - 5.0	10-01-18	10-01-33	<u>13,855,000</u>	<u>14,045,000</u>
					<u>\$68,645,000</u>	<u>\$72,895,000</u>

Bond Coverage

Golf System Bonds

	2022	2021
Gross revenue, including non-operating revenues and payments from the City	\$12,525,205	\$11,399,422
Direct operating expenses, excluding other post-employment benefit expense, payments to the City, depreciation and amortization	<u>8,318,360</u>	<u>7,779,462</u>
Net revenue available for debt service	<u>\$4,206,845</u>	<u>\$3,619,960</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>3.49</u>	<u>3.00</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>2022</u>	<u>2021</u>
Gross revenue, including non-operating revenues and payments from the City	<u>\$15,212,541</u>	<u>\$10,861,882</u>
Principal amounts	\$3,325,000	\$3,165,000
Interest amounts	<u>3,052,969</u>	<u>3,211,306</u>
Total debt service requirements	<u>\$6,377,969</u>	<u>\$6,376,306</u>
Revenue bond coverage	<u>2.39</u>	<u>1.70</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 2022 and 2021 the Authority recognized \$11,380,432 and \$10,366,596 in golf course revenues excluding James E. Stewart Golf Course, respectively, and \$6,466,508 and \$6,463,622 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, 2022 and 2021.

NOTES TO FINANCIAL STATEMENTS
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III. F. CHANGES IN LONG-TERM DEBT

	2022					
	Balance July 1,	Issued	Retired	Balance June 30, 2022	Due Within One Year	Due After One Year
<i>Business-type Activities</i>						
<u>COMPENSATED ABSENCES</u>						
Golf Courses Fund	\$127,461	\$109,418	\$92,964	\$143,915	\$37,157	\$106,758
<u>REVENUE BONDS</u>						
Golf Courses Fund	5,765,057	-	257,125	5,507,932	265,000	5,242,932
Golf Courses Fund from private placement	2,810,000	-	670,000	2,140,000	690,000	1,450,000
Fairgrounds Fund	69,250,599	-	3,958,189	65,292,410	3,490,000	61,802,410
Total revenue bonds	77,825,656	-	4,885,314	72,940,342	4,445,000	68,495,342
<u>NET PENSION LIABILITY</u>						
Golf Courses Fund	591,369	302,708	894,077	-	-	-
<u>NET OPEB LIABILITY</u>						
Golf Courses Fund	5,858,944	378,826	744,676	5,493,094	-	5,493,094
Total business-type activities	84,403,430	790,952	6,617,031	78,577,351	4,482,157	74,095,194
Total primary Authority	\$84,403,430	\$790,952	\$6,617,031	\$78,577,351	\$4,482,157	\$74,095,194
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

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.

	2022		2021	
	Amount Guaranteed (1)	Total Amount Outstanding (2)	Amount Guaranteed (1)	Total Amount Outstanding (2)
<i>Business-Type Activities</i>				
Golf Courses bonded debt	<u>\$1,200,333</u>	<u>\$7,630,000</u>	<u>\$1,199,552</u>	<u>\$8,555,000</u>

(1) The amount guaranteed is only the amount of debt service due on or before June 30, 2023 and 2022, and covered under the guarantee effective June 30, 2022 and 2021. 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 2022 or any preceding year in which the debt was outstanding.

III. H. DEFERRED INFLOWS OF RESOURCES

Leases

The Consolidated Trust reported deferred inflows in the amount of \$13,552,415 and \$16,820,420 related to lease receivables at June 30, 2022 and 2021, respectively.

Unavailable Revenue

	2022	2021
OKC Dodgers facility Fees	\$159,500	\$402,165
Bricktown ballpark rent	-	236,000
Investment earnings	15,787	17,961
Property tax	3,179	2,864
	<u>\$178,466</u>	<u>\$658,990</u>

Deferred Amount on Refunding

Deferred amounts on refundings of bonds results from a difference in the carrying value of refunded debt to its requisition 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 \$103,246 at June 30, 2022 and \$88,319 at June 30, 2021.

IV. FUND EQUITY

IV. A. CHANGE IN ACCOUNTING PRINCIPLE

On July 1, 2021, the Consolidated Trust adopted GASB statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about the governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The Consolidated Trust implemented this standard as of July 1, 2020 and restated the following balances as of and for the year ended June 30, 2021.

	<i>General Purpose</i> As of June 30, 2021		
	As previously reported	GASB 87 implementation	As restated
Accounts receivable	\$1,972,010	(\$66,829)	\$1,905,181
Lease receivable	-	17,732,620	17,732,620
Interest, dividends, and royalties receivable	69,668	56,187	125,855
Unearned Revenue	7,704,832	(422,417)	7,282,415
Deferred inflow	658,990	16,820,420	17,479,410
Fund Balance	14,816,361	1,323,975	16,140,336
Interest Income	15,306	145,697	161,003
Public Event Charges	2,060,893	(496,100)	1,564,793
Lease and rental income	1,180,410	2,042,155	3,222,565
Other	562,199	(367,777)	194,422

	<i>Governmental Activities</i> As of June 30, 2021		
	As previously reported	GASB 87 implementation	As restated
Accounts receivable	\$1,972,010	(\$66,829)	\$1,905,181
Lease receivable	-	17,732,620	17,732,620
Interest, dividends, and royalties receivable	69,668	56,187	125,855
Unearned Revenue	7,704,832	(422,417)	7,282,415
Deferred inflow	-	16,820,420	16,820,420
Net Position	85,235,167	1,323,975	86,559,142
Charges for services	3,521,763	1,775,235	5,296,998
Operating grants and contributions	19,063,411	45,697	19,109,108
Miscellaneous	514,923	(496,957)	17,966

IV. B. FUND BALANCE

Non-spendable Fund Balance

	<u>2022</u>	<u>2021</u>
Inventories	\$267,474	\$165,005
Prepays	104,991	122,496
Unrestricted-lease receivable, noncurrent	<u>1,264,457</u>	<u>1,771,103</u>
	<u>\$1,636,922</u>	<u>\$2,058,604</u>

Restricted Fund Balance

	<u>2022</u>	<u>2021</u>
Restricted for TIF districts	\$126,538	\$389,831
Restricted for special improvement districts	102,792	105,297
Restricted for business improvement districts	97,103	99,757
Restricted for Prairie Surf Studios maintenance	68,314	69,632
Restricted for NBA practice facility	854,763	929,190
Restricted for Ballpark capital improvements	1,244,455	819,862
Restricted for Paycom Center capital improvements	584,424	818,730
Restricted for Softball Hall of Fame donations	<u>164,110</u>	<u>234,205</u>
	<u>\$3,242,499</u>	<u>\$3,466,504</u>

Committed Fund Balance

	<u>2022</u>	<u>2021</u>
Committed for metropolitan area projects use tax capital projects	<u>\$1,040,697</u>	<u>\$993,678</u>

Assigned Fund Balance

	<u>2022</u>	<u>2021</u>
Assigned for Metropolitan Area Projects support	\$134,389	\$65,502
Assigned for the centennial land run project	114,378	117,363
Assigned for fairgrounds electricity	125,156	129,712
Assigned for Oklahoma City Redhawks utility reimbursements	228,316	32,524
Assigned for water taxi and canal operations	287,543	275,451
Assigned for non-capital equipment replacement	1,891,475	2,022,072
Assigned for ASM operations	10,743,103	4,456,730
Assigned for NBA practice facility	12,419	12,744
Assigned for Oklahoma River sediment removal	1,044,042	421,417
Assigned for General Purpose Fund encumbrances	<u>626,768</u>	<u>657,842</u>
	<u>\$15,207,589</u>	<u>\$8,191,357</u>

Unassigned

	<u>2022</u>	<u>2021</u>
Unassigned	<u>\$1,536,458</u>	<u>\$1,430,193</u>

IV. C. NET POSITION

Net Investment in Capital Assets

	2022			2021		
	Governmental	Business-type	Total	Governmental	Business-type	Total
	Activities	Activities		Activities	Activities	
Capital assets, net	\$72,241,831	\$43,931,495	\$116,173,326	\$72,635,689	\$46,544,683	\$119,180,372
Retainages and capital related accounts payable	(85,580)	(444,002)	(529,582)	-	(37,498)	(37,498)
Bonds payable, net	-	(72,940,342)	(72,940,342)	-	(77,825,656)	(77,825,656)
Deferred amount on refunding	-	20,181	20,181	-	16,856	16,856
Bond accounts funded with bond proceeds	-	1,415,076	1,415,076	-	1,795,277	1,795,277
Bond issuance costs paid from bond proceeds	-	731,930	731,930	-	731,930	731,930
	<u>\$72,156,251</u>	<u>(\$27,285,662)</u>	<u>\$44,870,589</u>	<u>\$72,635,689</u>	<u>(\$28,774,408)</u>	<u>\$43,861,281</u>

Restricted for Capital Projects

	2022			2021		
	Governmental	Business-type	Total	Governmental	Business-type	Total
	Activities	Activities		Activities	Activities	
Sports facility sales tax capital projects	\$2,236,825	\$ -	\$2,236,825	\$2,129,082	\$ -	\$2,129,082
Bond construction account	-	959,389	959,389	-	1,339,590	1,339,590
Bond construction account funded with bond proceeds	-	(959,389)	(959,389)	-	(1,339,590)	(1,339,590)
Restricted for other capital projects	188,904	-	188,904	259,255	-	259,255
	<u>\$2,425,729</u>	<u>\$-</u>	<u>\$2,425,729</u>	<u>\$2,388,337</u>	<u>\$-</u>	<u>\$2,388,337</u>

Restricted for Debt Service

	2022			2021		
	Governmental	Business-type	Total	Governmental	Business-type	Total
	Activities	Activities		Activities	Activities	
Bond principal and interest accounts	\$ -	\$4,166,609	\$4,166,609	\$ -	\$4,067,740	\$4,067,740
Bond reserve accounts	-	1,261,683	1,261,683	-	1,261,328	1,261,328
Bond reserve funded with bond proceed	-	(455,689)	(455,689)	-	(455,689)	(455,689)
Current bond interest payable	-	(808,005)	(808,005)	-	(855,755)	(855,755)
	<u>\$-</u>	<u>\$4,164,598</u>	<u>\$4,164,598</u>	<u>\$-</u>	<u>\$4,017,624</u>	<u>\$4,017,624</u>

Restricted for Culture and Recreation

	2022			2021		
	Governmental	Business-type	Total	Governmental	Business-type	Total
	Activities	Activities		Activities	Activities	
Restricted for Prairie Surf Studios maintenance	\$68,377	\$ -	\$68,377	\$90,808	\$ -	\$90,808
Restricted for Paycom Center Arena capital improvements	600,972	-	600,972	819,911	-	819,911
	<u>\$669,349</u>	<u>\$-</u>	<u>\$669,349</u>	<u>\$910,719</u>	<u>\$-</u>	<u>\$910,719</u>

Restricted for Public Services

	2022			2021		
	<i>Governmental</i>	<i>Business-type</i>	<i>Total</i>	<i>Governmental</i>	<i>Business-type</i>	<i>Total</i>
	<u><i>Activities</i></u>	<u><i>Activities</i></u>		<u><i>Activities</i></u>	<u><i>Activities</i></u>	
Restricted for TIF districts	\$3,111	\$ -	\$3,111	\$3,191	\$ -	\$3,191
Restricted for business improvement districts	<u>173,029</u>	<u>-</u>	<u>173,029</u>	<u>453,928</u>	<u>-</u>	<u>453,928</u>
	<u>\$176,140</u>	<u>\$-</u>	<u>\$176,140</u>	<u>\$457,119</u>	<u>\$-</u>	<u>\$457,119</u>

Unrestricted

	2022			2021		
	<i>Governmental</i>	<i>Business-type</i>	<i>Total</i>	<i>Governmental</i>	<i>Business-type</i>	<i>Total</i>
	<u><i>Activities</i></u>	<u><i>Activities</i></u>		<u><i>Activities</i></u>	<u><i>Activities</i></u>	
Unrestricted	<u>\$18,873,529</u>	<u>\$2,153,324</u>	<u>\$21,026,853</u>	<u>\$8,825,123</u>	<u>\$622,277</u>	<u>\$9,447,400</u>

IV. D. 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, 2022 and 2021 of \$22,623,160 and \$22,850,079, respectively, is the result of depreciation of capital assets as construction projects are completed.

OCPPA Golf Courses

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

V. REVENUES AND EXPENSES

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)

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Due Within the Golf Courses (continued)

	2022						
	DUE TO						
	Golf Courses Fund						
	Lake Hefner Golf Course	Lincoln Park Golf Course	Trosper Park Golf Course	Earlywine Park Golf Course	James Stewart	Golf Course System	Total
<u>DUE FROM</u>							
Lake Hefner	\$ -	(\$1,867)	\$ -	\$ -	\$ -	(\$33,691)	(\$35,558)
Lincoln	1,867	-	830	1,590	415	(83,575)	(78,873)
Trosper	-	(830)	-	-	(3,321)	(26,814)	(30,965)
Earlywine	-	(1,590)	-	-	-	(51,708)	(53,298)
James Stewart	-	(415)	3,321	-	-	-	2,906
Golf Course System	<u>33,691</u>	<u>83,576</u>	<u>26,813</u>	<u>51,708</u>	<u>-</u>	<u>-</u>	<u>195,788</u>
	<u>\$35,558</u>	<u>\$78,874</u>	<u>\$30,964</u>	<u>\$53,298</u>	<u>(\$2,906)</u>	<u>(\$195,788)</u>	<u>\$ -</u>

	2021						
	DUE TO						
	Golf Courses Fund						
	Lake Hefner Golf Course	Lincoln Park Golf Course	Trosper Park Golf Course	Earlywine Park Golf Course	James Stewart	Golf Course System	Total
<u>DUE FROM</u>							
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>

Payable To/Receivable From the City

	2022					
	Purpose	Governmental Activities		Business-Type Activities		
		General	Golf Courses	Fairgrounds	Financial	Total
		Purpose Fund	Fund	Fund	Services Fund	
<u>Receivable From</u>						
City General Fund		<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$15,733</u>	<u>\$15,733</u>
<u>Payable To</u>						
<u>CURRENT</u>						
City General Fund	Administrative charges and utilities	\$455,101	\$172,929	\$ -	\$ -	\$172,929
	TIF district #6 payable	61,670	-	-	-	-
City Special Districts (BID)	Cost reimbursement	199,752	-	-	-	-
Capital Improvements Fund	Unspent Transfers	700,000	-	-	-	-
OCMFA Services Fund	Golf cart payable	-	31,543	-	-	31,543
	Perfectmind Software	<u>55,140</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
		<u>\$1,471,663</u>	<u>\$204,472</u>	<u>\$-</u>	<u>\$-</u>	<u>\$204,472</u>
<u>NON-CURRENT</u>						
City General Fund	TIF district #6 payable	<u>\$522,043</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>

(continued)

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Payable To/Receivable From the City (continued)

		2021				
		Governmental Activities		Business-Type Activities		
		General	Golf Courses	Fairgrounds	Financial	Total
Purpose	Purpose Fund	Purpose Fund	Fund	Fund	Services Fund	
Receivable From						
Special Revenue Fund	Operating Expenses	\$ -	\$1,640	\$ -	\$ -	\$1,640
Improvements Fund	Unspent Transfers	<u>27,281</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
		<u>\$27,281</u>	<u>\$1,640</u>	<u>\$-</u>	<u>\$-</u>	<u>\$1,640</u>
Payable To						
CURRENT						
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>-</u>	<u>37,114</u>	<u>-</u>	<u>-</u>	<u>37,114</u>
		<u>\$874,014</u>	<u>\$236,287</u>	<u>\$-</u>	<u>\$-</u>	<u>\$236,287</u>
NON-CURRENT						
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>-</u>	<u>31,482</u>	<u>-</u>	<u>-</u>	<u>31,482</u>
		<u>\$2,444,197</u>	<u>\$31,482</u>	<u>\$-</u>	<u>\$-</u>	<u>\$31,482</u>

Advances Within the City

TIF District #6 Payable

On October 14, 2008, the Authority received \$1,031,653 from the City/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, 2022 and 2021, is \$582,862 and \$851 of accrued interest and \$642,312 and \$937 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, 2022 and 2021.

	2022	2021
Beginning balance	\$205,054	\$204,935
Investment income	<u>(5,302)</u>	<u>119</u>
	<u>\$199,752</u>	<u>\$205,054</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 was \$1,941,966 and \$85,604 of accrued interest. In fiscal year 2022 it was decided this loan would be written off since there are no longer ticketed events to collect revenue in order to pay back the loan with Prairie Surf Studio's now leasing the building.

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, 2022 and 2021, are \$31,482 and \$61 of accrued interest and \$68,463 and \$133 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 (1)			Golf Cart Payable		
	City General Fund			City and Schools Use Tax Fund			OCMFA Services		
	Principal	Interest	Total	Principal (1)	Interest	Total	Principal	Interest	Total
2023	\$60,820	\$1,457	\$62,277	\$ -	\$ -	\$ -	\$31,482	\$337	\$31,819
2024	62,217	1,305	63,522	-	-	-	-	-	-
2025	64,850	1,149	65,999	-	-	-	-	-	-
2026	65,013	987	66,000	-	-	-	-	-	-
2027	65,175	825	66,000	-	-	-	-	-	-
2028-2032	<u>264,787</u>	<u>1,666</u>	<u>266,453</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$582,862</u>	<u>\$7,389</u>	<u>\$590,251</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$31,482</u>	<u>\$337</u>	<u>\$31,819</u>

(1) This loan was written off in FY2022 due to no ticketed events to bring in revenue to pay the loan due to Prairie Surf Studios now leasing the building.

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.

2022							
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	Total
Lake Hefner	\$ -	\$ -	\$ -	\$ -	\$ -	\$484,701	\$484,701
Lincoln	-	-	-	-	-	905,040	905,040
Trosper	-	-	-	-	-	218,054	218,054
Earlywine	-	-	-	-	-	579,573	579,573
James E. Stewart	-	-	-	-	-	4,747	4,747
Golf System	<u>(484,701)</u>	<u>(905,040)</u>	<u>(218,054)</u>	<u>(579,573)</u>	<u>(4,747)</u>	-	<u>(2,192,115)</u>
	<u>(\$484,701)</u>	<u>(\$905,040)</u>	<u>(\$218,054)</u>	<u>(\$579,573)</u>	<u>(\$4,747)</u>	<u>\$2,192,115</u>	<u>\$ -</u>

2021							
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	Total
Lake Hefner	\$ -	\$ -	\$ -	\$ -	\$ -	\$564,413	\$564,413
Lincoln	-	-	-	-	-	878,543	878,543
Trosper	-	-	-	-	-	151,485	151,485
Earlywine	-	-	-	-	-	493,869	493,869
Golf System	<u>(564,413)</u>	<u>(878,543)</u>	<u>(151,485)</u>	<u>(493,869)</u>	-	-	<u>(2,088,310)</u>
	<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>

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Payments To/From the City

		2022			
		<i>Governmental</i>	<i>Business-type Activities</i>		
		<i>Activities</i>	<i>Golf Courses</i>	<i>Fairgrounds</i>	<i>Total</i>
<u>Purpose</u>	<u>Purpose Fund</u>	<u>General</u>	<u>Fund</u>	<u>Fund</u>	<u>Total</u>
<u>PAYMENT FROM</u>					
City General Fund	Operating subsidies	\$16,162,933	\$1,505,782	\$ -	\$1,505,782
	Parks	\$20,100	-	-	-
City Capital Improvement	Capital projects	1,721,949	-	-	-
Stormwater Fund	OK River dredging	1,000,000	-	-	-
City Hotel/Motel Tax Fund	Fairgrounds debt service	-	-	6,466,508	6,466,508
		<u>\$18,904,982</u>	<u>\$1,505,782</u>	<u>\$6,466,508</u>	<u>\$7,972,290</u>
<u>PAYMENTS TO</u>					
City Hotel/Motel Tax Fund	Fairgrounds debt service	\$156,025	\$ -	\$ -	-
City Special Purpose	Capital projects	-	405,000	-	405,000
		<u>\$156,025</u>	<u>\$405,000</u>	<u>\$-</u>	<u>\$405,000</u>
		2021			
		<i>Governmental</i>	<i>Business-type Activities</i>		
		<i>Activities</i>	<i>Golf Courses</i>	<i>Fairgrounds</i>	<i>Total</i>
<u>Purpose</u>	<u>Purpose Fund</u>	<u>General</u>	<u>Fund</u>	<u>Fund</u>	<u>Total</u>
<u>PAYMENT FROM</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>

Dependency on the City

For the year ended June 30, 2022, governmental activities include operating subsidies for ASM management operations, utilities, and facility maintenance in the amount of \$16,955,882, management fees for the Civic Center Foundation and OKC Public Tennis, LLC of \$850,000 and \$40,000 respectively, Oklahoma River sediment dredging of \$1,000,000, and additional subsidy for parks revenue system of \$20,100 and \$39,000 general operating expenses. 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.

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, 2022 and 2021, the City General Fund provided \$1,159,511 and \$1,029,741, respectively, to cover these costs. James E. Stewart Golf Course received a subsidy from the City General Fund in the amount of \$346,271 and \$259,000, 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, 2022 and 2021 the charges are as follows:

	<u>2022</u>	<u>2021</u>
Lake Hefner	\$22,290	\$26,617
Lincoln	33,822	30,853
Trospen	15,992	13,474
Earlywine	<u>23,334</u>	<u>20,351</u>
	<u>\$95,438</u>	<u>\$91,295</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, 2022 and 2021 the reimbursements to the City are as follows:

	<u>2022</u>	<u>2021</u>
Lake Hefner	\$27,660	\$27,361
Lincoln	27,660	27,361
Trospen	13,830	13,681
Earlywine	<u>27,660</u>	<u>27,361</u>
	<u>\$96,810</u>	<u>\$95,764</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, 2020 and 2019. The information presented in this note as of June 30, 2021 and 2020 measurement dates will be reported in the financial statements of the authority as of June 30, 2022 and 2021. 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 or 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>2022</u>	<u>2021</u>
Retirees and beneficiaries currently receiving benefits	1,685	1,652
Inactive plan members entitled to but not yet receiving benefits.	152	151
Active employees	<u>2,420</u>	<u>2,470</u>
Total Plan Members	<u>4,257</u>	<u>4,273</u>

Contributions

Contribution requirements are actuarially determined and established by City Council ordinance. Beginning July 1, 2021, the employer contribution rate changed from 5.56% of covered payroll to 6.89% of covered payroll. Beginning July 1, 2020, the employer contribution rate changed from 5.23% of covered payroll to 5.56% 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 (1)

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	3.00%
Salary increases	3.00%
Post-Retirement COLA	2.00%
Investment ROR	7.00%

(1) There were no changes in the actuarial assumptions during the 2022 fiscal year.

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.

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	Long-term Expected Rate of Return			Target Allocation	
	2022	2021		2022	2021
Core Bonds	2.59%	2.60%	Domestic	50.00%	50.00%
Core Plus	2.86	2.87	International	10.00	10.00
Global Bonds	2.32	2.37	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	7.14			
U.S. Small Cap Equity	8.45	8.43			
International Developed Equity	7.95	8.14			
Emerging Market Equity	9.10	9.48			
Long/Short Equity	5.73	5.46			
Private Equity	10.39	10.42			
Core Real Estate	6.88	6.73			
Opportunistic Real Estate	9.68	9.73			

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. There was no change in the discount rate during the 2022 fiscal year.

Changes in Net Pension Asset/Liability

	2022					
	Total Pension Liability		Plan Fiduciary Net Position		Net Pension Asset (Liability)	
	OCERS	Authority Share	OCERS	Authority Share	OCERS	Authority Share
Beginning balance	\$807,738,265	\$10,096,728	\$760,428,740	\$9,505,359	(\$47,309,525)	\$(591,369)
Service cost	17,250,971	243,239	-	-	(17,250,971)	(243,239)
Interest	55,663,275	784,852	-	-	(55,663,275)	(784,852)
Differences between expected and actual experience	8,973,685	126,529	-	-	(8,973,685)	(126,529)
Contributions - employer	-	-	9,678,624	136,469	9,678,624	136,469
Contributions - employee	-	-	8,416,035	118,666	8,416,035	118,666
Net investment income	-	-	208,486,721	2,939,663	208,486,721	2,939,663
Differences between benefit payments and refunds	(42,348,229)	(597,110)	(42,348,229)	(597,110)	-	-
Administrative expense	-	-	(595,712)	(8,400)	(595,712)	(8,400)
Other changes	-	1,292,381	50,567	1,217,399	50,567	(74,982)
	<u>\$847,277,967</u>	<u>\$11,946,619</u>	<u>\$944,116,746</u>	<u>\$13,312,046</u>	<u>\$96,838,779</u>	<u>\$1,365,427</u>

(continued)

Changes in Net Pension Asset/Liability (continued)

	2021					
	<u>Total Pension Liability</u>		<u>Plan Fiduciary Net Position</u>		<u>Net Pension Asset (Liability)</u>	
	<u>OCERS</u>	Authority <u>Share</u>	<u>OCERS</u>	Authority <u>Share</u>	<u>OCERS</u>	Authority <u>Share</u>
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>

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 1.41% and 1.25% for 2022 and 2021, respectively.

	<u>2022</u>	<u>2021</u>
Net pension asset (liability)	\$96,838,779	(\$47,309,525)
Authority share	1,365,427	(591,369)

Sensitivity of Net Pension Liability to Changes in the Discount Rate

	2022				
	<u>Rate</u>	<u>Total Pension Liability</u>		<u>Net Pension Asset (Liability)</u>	
		<u>OCERS</u>	Authority <u>Share</u>	<u>OCERS</u>	Authority <u>Share</u>
1% decrease	6.00%	(\$956,071,877)	(\$13,480,613)	(\$11,955,131)	(\$168,567)
Current single discount rate	7.00	(847,277,967)	(11,946,619)	96,838,779	1,365,427
1% increase	8.00	(756,646,135)	(10,668,711)	187,470,611	2,643,336

	2021				
	<u>Rate</u>	<u>Total Pension Liability</u>		<u>Net Pension Asset (Liability)</u>	
		<u>OCERS</u>	Authority <u>Share</u>	<u>OCERS</u>	Authority <u>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

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

Pension Expense

The Authority reported (\$162,513) and \$308,859 in pension expense which includes costs related to employee participation in OCERS at June 30, 2022 and 2021, 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.

	2022			
	Total Plan		Total Authority	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Current year contributions -				
Employer	\$10,884,197	\$ -	\$153,467	\$ -
Difference between expected and actual experience	9,940,160	7,796,075	140,156	109,925
Changes in assumptions	30,251,709	-	426,549	-
Net difference between projected and actual earnings on pension plan investments	<u>-</u>	<u>107,418,673</u>	<u>-</u>	<u>1,514,607</u>
	<u>\$51,076,066</u>	<u>\$115,214,748</u>	<u>\$720,172</u>	<u>\$1,624,532</u>
	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>

Deferred outflows of resources related to pension resulting from the employer contributions of \$153,467 and \$120,983 subsequent to the measurement date will be recognized as a reduction of the net pension liability for the years ending June 30, 2023 and 2022, respectively.

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

	<u>2022</u>			<u>2021</u>	
	<u>OCERS</u>	<u>Authority Share</u>		<u>OCERS</u>	<u>Authority Share</u>
2023	(\$18,507,693)	(\$260,958)	2022	\$5,539,580	\$69,245
2024	(16,292,382)	(229,723)	2023	11,238,947	140,487
2025	(18,816,811)	(265,317)	2024	13,454,258	168,178
2026	(24,229,392)	(341,634)	2025	10,929,829	136,623
2027	2,719,472	38,345	2026	5,517,247	68,966
Thereafter	<u>103,927</u>	<u>1,460</u>	Thereafter	<u>1,241,179</u>	<u>15,515</u>
	<u>(\$75,022,879)</u>	<u>(\$1,057,827)</u>		<u>\$47,921,040</u>	<u>\$599,014</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 79 participants comprised of City Council appointees and management personnel. The Authority currently has 3 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, 2021 and 2020, 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>2022</u>	<u>2021</u>
Retired participants	2,146	2,141
Active employees	<u>3,410</u>	<u>3,487</u>
	<u><u>5,556</u></u>	<u><u>5,628</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. 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, 2022 and 2021. The Authority's share is 1.31% and 1.32%, respectively.

Actuarial Assumptions

The total OPEB liability was determined using the following assumptions:

Inflation rate (1)	3.00%
Wage inflation (2)	3.00%
Discount Rate	3.35%
Investment rate of return	7.50%
Health care trend rate	8.0% (6.00% for Medicare Age)
Ultimate rate	4.50%

(1) The inflation rate changed from 3.25% in 2021 to 3.00% in 2022.

(2) The Wage Inflation Rate changed from 3.25% in 2021 to 3.00% in 2022.

Mortality rates were based on the RPH-2014 Blue Collar Headcount-weighted Mortality Table fully generational using Scale MP-2016 (set forward 5 years for disabled retirees). This is a change from 2021 when the 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 2022 through 2029 of projected benefit payments and the 20-year municipal bond rate based on a range of indices from 1.94%-2.19% was applied to projected benefit payments after 2029 to determine the total OPEB liability. The discount rate remained at 3.35% during the current fiscal year.

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	
	<u>2022</u>	<u>2021</u>
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

2022					
	<u>Total OPEB Liability</u>			<u>Net OPEB Liability</u>	
	<u>Rate</u>	<u>Total Plan</u>	<u>Authority Share</u>	<u>OPEB</u>	<u>Authority Share</u>
1% decrease	2.35%	\$616,668,999	\$8,078,364	\$520,309,203	\$6,816,050
Current single discount rate	3.35	515,680,046	6,755,409	419,320,250	5,493,094
1% increase	4.35	437,379,377	5,729,670	341,019,581	4,467,356

2021					
	<u>Total OPEB Liability</u>			<u>Net OPEB Liability</u>	
	<u>Rate</u>	<u>Total Plan</u>	<u>Authority Share</u>	<u>OPEB</u>	<u>Authority Share</u>
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

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

2022					
	<u>Total OPEB Liability</u>			<u>Net OPEB Liability</u>	
	<u>Beginning Rate</u>	<u>Total Plan</u>	<u>Authority Share</u>	<u>OPEB</u>	<u>Authority Share</u>
1% decrease	7.00%	\$429,860,468	\$5,631,172	\$333,500,672	\$4,368,858
Current single discount rate	8.00	515,680,046	6,755,409	419,320,250	5,493,094
1% increase	9.00	628,712,463	8,236,133	532,352,667	6,973,819

2021					
	<u>Total OPEB Liability</u>			<u>Net OPEB Liability</u>	
	<u>Beginning Rate</u>	<u>Total Plan</u>	<u>Authority Share</u>	<u>OPEB</u>	<u>Authority Share</u>
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

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.

	2022			
	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	\$ -	\$174,418	\$ -
Difference between expected and actual experience	2,509,296	129,984,807	32,872	1,702,801
Changes in assumptions	70,224,003	38,121,044	919,934	499,386
Net different between projected and actual earnings on pension plan investments	<u>-</u>	<u>11,360,400</u>	<u>-</u>	<u>148,821</u>
	<u>\$86,047,640</u>	<u>\$179,466,251</u>	<u>\$1,127,224</u>	<u>\$2,351,008</u>
	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>

Deferred outflows of resources related to the Net OPEB Liability resulting from the employer contributions of \$174,418 and \$175,749 subsequent to the measurement date will be recognized as a reduction of the net OPEB liability for the years ending June 30, 2023 and 2022, respectively.

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

	2022		2021	
	OPEB	Authority Share	OPEB	Authority Share
2023	(\$33,802,579)	(\$442,814)	2022	(\$26,685,376)
2024	(33,500,808)	(438,861)	2023	(26,305,863)
2025	(13,060,259)	(171,089)	2024	(26,004,092)
2026	(11,356,202)	(148,766)	2025	(5,563,543)
2027	(7,777,743)	(101,888)	2026	(3,859,486)
Thereafter	(7,235,361)	(94,784)	Thereafter	(10,853,044)
	<u>(\$106,732,952)</u>	<u>(\$1,398,202)</u>		<u>(\$99,271,404)</u>
				<u>(\$1,310,382)</u>

OPEB Expense

The Authority reported (\$49,300) and \$61,079 in OPEB expense which includes costs related to employee participation in OPEB at June 30, 2022 and 2021.

VIII. A. 3. CHANGES IN NET OPEB LIABILITY

	2022					
	Total OPEB Liability		Plan Fiduciary Net Position		Net OPEB Liability	
	OPEBT	Authority Share	OPEBT	Authority Share	OPEBT	Authority Share
Beginning balance	\$515,129,852	\$6,799,714	\$71,270,372	\$940,770	\$443,859,480	\$5,858,944
Service cost	17,801,244	233,196	-	-	17,801,244	233,196
Interest	17,687,435	231,705	-	-	17,687,435	231,705
Differences between expected and actual experience	(48,980,243)	(641,641)	-	-	(48,980,243)	(641,641)
Changes of assumptions	24,019,878	314,660	-	-	24,019,878	314,660
Contributions - employer	-	-	13,314,341	174,418	(13,314,341)	(174,418)
Net investment income	-	-	22,137,258	289,998	(22,137,258)	(289,998)
Benefit payments including refunds of employee contributions	(9,978,120)	(130,713)	(9,978,120)	(130,713)	-	-
Administrative expense	-	-	(384,055)	(5,030)	384,055	5,030
Other changes	-	(51,512)	-	(7,128)	-	(44,384)
	<u>\$515,680,046</u>	<u>\$6,755,409</u>	<u>\$96,359,796</u>	<u>\$1,262,315</u>	<u>\$419,320,250</u>	<u>\$5,493,094</u>

(Continued)

Changes in Net OPEB Liability (Continued)

	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	-	<u>342,653</u>	-	<u>44,972</u>	-	<u>297,681</u>
	<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>

IX. COMMITMENTS

Construction projects are substantially funded with revenue bonds. Active construction in progress remaining commitments at June 30, 2022 and 2021, are composed of improvements in government activities totaling \$1,519,850 and \$1,233,362, and fairgrounds improvements of \$1,460,417 and \$43,853, 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, 2022 and 2021, the remaining commitment under the agreement is approximately \$22.06 million including \$19.35 million assigned to the City and \$22.80 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.

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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Authority Share	1.41%	1.25%	1.52%	1.71%
Authority share of the net pension liability (asset)	\$1,365,427	\$591,369	(\$146,948)	(\$478,093)
Other funds of the City share of the net pension liability (asset)	<u>(98,204,206)</u>	<u>46,718,156</u>	<u>(9,520,716)</u>	<u>(27,430,330)</u>
Total net pension liability (asset)	<u>(\$96,838,779)</u>	<u>\$47,309,525</u>	<u>(\$9,667,664)</u>	<u>(\$27,908,423)</u>
Covered payroll	\$140,723,871	\$140,694,950	\$135,200,068	\$130,273,619
Authority share of covered payroll	\$1,984,207	\$1,758,687	\$2,055,041	\$2,227,679
Net pension liability (asset) as a percentage of covered payroll	(68.81%)	33.63%	(7.15%)	(21.46%)
Plan fiduciary net position as a percentage of total pension liability	111.43%	94.14%	101.30%	103.92%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Authority Share	1.74%	1.74%	1.77%	1.64%
Authority share of the net pension liability (asset)	(\$435,322)	\$20,413	(\$829,389)	(\$1,007,164)
Other funds of the City share of the net pension liability (asset)	<u>(24,583,209)</u>	<u>1,152,725</u>	<u>(46,028,698)</u>	<u>(60,405,333)</u>
Total net pension liability (asset)	<u>(\$25,018,531)</u>	<u>\$1,173,138</u>	<u>(\$46,858,087)</u>	<u>(\$61,412,497)</u>
Covered payroll	\$114,233,221	\$126,036,039	\$127,805,936	\$124,957,446
Authority share of covered payroll	\$1,987,658	\$2,193,027	\$2,262,165	\$2,049,302
Net pension liability (asset) as a percentage of covered payroll	(21.90%)	0.93%	(36.66%)	(49.15%)
Plan fiduciary net position as a percentage of total pension liability	103.69%	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>
2022 (4)	\$153,467	\$153,467	\$ -	\$2,557,783	6.00%
2021	136,712	136,469	243	1,984,207	6.88
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 2022 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

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>2022</u>	<u>2021(3)</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Authority Share	1.31%	1.32%	1.25%	1.39%	1.53%
Authority share of the net OPEB liability (asset)	\$5,493,094	\$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>413,827,156</u>	<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>\$419,320,250</u>	<u>\$443,859,480</u>	<u>\$425,259,792</u>	<u>\$420,840,146</u>	<u>\$521,927,864</u>
Covered - employee payroll	\$230,724,282	\$234,099,322	\$231,394,742	\$209,791,182	\$224,808,000
Authority share of covered - employee payroll	\$3,022,488	\$3,090,111	\$2,892,434	\$2,916,097	\$3,439,562
Net OPEB liability (asset) as a percentage of covered - employee payroll	181.74%	189.60%	183.78%	200.60%	232.17%
Plan fiduciary net position as a percentage of total OPEB liability	18.7%	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.
- (3) Restated certain covered payroll information.

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-Employee <u>Payroll</u>
2022(4)	\$174,418	\$174,418	\$ -	\$2,906,967	6.00%
2021	239,586	174,418	65,168	3,022,488	5.77%
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	2,916,097	7.64%

- (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 <u>Payroll</u>	Employer <u>Contributions</u>
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

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, 2022**

**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-----	\$ -	\$ -	\$ -	\$ -	\$10	\$86,614	\$86,624
Non-pooled cash-----	489,215	1,730,734	868,469	1,283,622	171,968	-	4,544,008
Investments-----	-	-	-	-	442	2,918,657	2,919,099
Accounts receivable, net-----	-	-	23	-	-	-	23
Interest, dividends, and royalties receivable-----	-	-	-	-	-	9,696	9,696
Due within golf courses-----	(35,558)	(78,874)	(30,964)	(53,298)	2,906	195,788	-
Inventories-----	149,279	49,026	30,782	116,981	24,007	-	370,075
Prepays-----	-	-	-	1,675	-	-	1,675
Total current assets-----	602,936	1,700,886	868,310	1,348,980	199,333	3,210,755	7,931,200
NON-CURRENT ASSETS							
Investments-----	-	-	-	-	-	455,710	455,710
Net pension asset-----	409,628	368,665	109,234	232,123	245,777	-	1,365,427
Capital assets:							
Other capital assets, net of accumulated depreciation-----	151,975	1,188,382	249,090	307,059	162,115	6,273,787	8,332,408
Capital assets, net-----	151,975	1,188,382	249,090	307,059	162,115	6,273,787	8,332,408
Total non-current assets-----	561,603	1,557,047	358,324	539,182	407,892	6,729,497	10,153,545
Total assets-----	1,164,539	3,257,933	1,226,634	1,888,162	607,225	9,940,252	18,084,745
DEFERRED OUTFLOWS OF RESOURCES-----	543,963	501,842	180,593	286,439	334,560	228	1,847,625
LIABILITIES							
CURRENT LIABILITIES							
Accounts payable and accrued expenses-----	170,468	83,909	31,718	139,467	35,909	217,929	679,400
Wages and benefits payable-----	73,182	59,778	17,603	44,111	25,512	-	220,186
Payable to the City of Oklahoma City-----	55,544	102,087	61,830	41,339	42,396	(98,724)	204,472
Compensated absences-----	14,847	8,137	4,368	1,855	7,950	-	37,157
Bond interest payable-----	-	-	-	-	-	65,044	65,044
Bonds payable-----	-	-	-	-	-	955,000	955,000
Total current liabilities-----	314,041	253,911	115,519	226,772	111,767	1,139,249	2,161,259
NON-CURRENT LIABILITIES							
Compensated absences-----	26,088	40,262	3,803	21,611	14,994	-	106,758
Bonds payable, net-----	-	-	-	-	-	6,692,932	6,692,932
Net other post-employment benefit liability-----	1,597,942	1,497,965	599,296	799,246	998,645	-	5,493,094
Total non-current liabilities-----	1,624,030	1,538,227	603,099	820,857	1,013,639	6,692,932	12,292,784
Total liabilities-----	1,938,071	1,792,138	718,618	1,047,629	1,125,406	7,832,181	14,454,043
DEFERRED INFLOWS OF RESOURCES	1,171,270	1,079,743	386,456	618,242	719,829	-	3,975,540
NET POSITION (DEFICIT)							
Net investment in capital assets-----	151,975	1,188,382	249,090	307,059	162,115	(705,371)	1,353,250
Debt service-----	-	-	-	-	-	741,125	741,125
Unrestricted-----	(1,552,814)	(300,488)	53,063	201,671	(1,065,565)	2,072,545	(591,588)
Total net position (deficit)-----	(\$1,400,839)	\$887,894	\$302,153	\$508,730	(\$903,450)	\$2,108,299	\$1,502,787

**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 REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
GOLF COURSES FUND
For the Fiscal Year Ended June 30, 2022**

**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-----	\$1,741,407	\$2,323,489	\$988,871	\$1,595,836	\$347,251	\$ -	\$6,996,854
Concessions-----	398,402	575,465	180,829	198,774	64,767	-	1,418,237
Other charges-----	953	13,910	713	309	45	-	15,930
Total charges for services-----	2,140,762	2,912,864	1,170,413	1,794,919	412,063	-	8,431,021
Golf cart rentals-----	773,699	1,182,569	541,924	817,018	149,498	-	3,464,708
Other rental income-----	15,200	16,018	3,648	675	4,747	-	40,288
Other-----	6,075	460	3,092	1,270	542	(174)	11,265
Total operating revenues-----	2,935,736	4,111,911	1,719,077	2,613,882	566,850	(174)	11,947,282
<u>OPERATING EXPENSES</u>							
Personal services-----	1,839,500	(94,536)	593,936	909,806	585,186	-	3,833,892
Maintenance, operations, and contractual services-----	558,795	536,183	394,436	360,881	150,637	1,387,653	3,388,585
Materials and supplies-----	665,626	757,318	269,624	340,016	241,671	-	2,274,255
Depreciation-----	14,890	171,883	64,930	38,819	16,069	145,414	452,005
Total operating expenses-----	3,078,811	1,370,848	1,322,926	1,649,522	993,563	1,533,067	9,948,737
Operating income (loss)-----	(143,075)	2,741,063	396,151	964,360	(426,713)	(1,533,241)	1,998,545
<u>NON-OPERATING REVENUES (EXPENSES)</u>							
Investment income-----	-	-	-	-	(11)	(50,202)	(50,213)
Interest on bonds and notes-----	-	-	(1,130)	-	-	(267,547)	(268,677)
Amortization-----	-	-	-	-	-	2,126	2,126
Payments from the City of Oklahoma City-----	-	-	-	-	346,271	1,159,511	1,505,782
Payments to the City of Oklahoma City-----	-	-	-	-	-	(405,000)	(405,000)
Other revenues-----	203	262	91	8,502	4,612	26,406	40,076
Net non-operating revenues (expenses)-----	203	262	(1,039)	8,502	350,872	465,294	824,094
Income (loss) before transfers-----	(142,872)	2,741,325	395,112	972,862	(75,841)	(1,067,947)	2,822,639
Transfers within the golf courses-----	(484,701)	(905,040)	(218,054)	(579,573)	(4,747)	2,192,115	-
Changes in net position (deficit)-----	(627,573)	1,836,285	177,058	393,289	(80,588)	1,124,168	2,822,639
Total net position, beginning-----	(773,266)	(948,391)	125,095	115,441	(822,862)	984,131	(1,319,852)
Total net position (deficit), ending-----	(\$1,400,839)	\$887,894	\$302,153	\$508,730	(\$903,450)	\$2,108,299	\$1,502,787

**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-----	2,313,240	2,475,699	960,009	1,598,864	344,249	-	7,692,061
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-----	3,185,150	3,501,012	1,393,668	2,286,596	469,083	170	10,835,679
<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-----	1,942,056	3,740,753	765,364	1,441,545	794,195	1,298,453	9,982,366
Operating income (loss)-----	1,243,094	(239,741)	628,304	845,051	(325,112)	(1,298,283)	853,313
<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)-----	543	607	(1,902)	85	259,002	737,627	995,962
Income (loss) before transfers-----	1,243,637	(239,134)	626,402	845,136	(66,110)	(560,656)	1,849,275
Transfers within the golf courses-----	(564,413)	(878,543)	(151,485)	(493,869)	-	2,088,310	-
Changes in net position (deficit)-----	679,224	(1,117,677)	474,917	351,267	(66,110)	1,527,654	1,849,275
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-----	(\$773,266)	(\$948,391)	\$125,095	\$115,441	(\$822,862)	\$984,131	(\$1,319,852)

**COMBINING STATEMENT OF CASH FLOWS
GOLF COURSES FUND
For the Fiscal Year Ended June 30, 2022**

**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-----	\$2,952,932	\$4,157,636	\$1,755,013	\$2,644,561	\$562,892	(\$104,931)	\$11,968,103
Cash payments to suppliers for goods and services-----	(1,159,439)	(1,224,274)	(653,849)	(705,697)	(353,710)	(1,153,186)	(5,250,155)
Cash payments to employees and professional contractors for services-----	(1,550,037)	(1,161,423)	(474,084)	(891,080)	(511,477)	120,934	(4,467,167)
Cash payments for internal services-----	(45,775)	(22,697)	(8,503)	(22,012)	(1,192)	(126,459)	(226,638)
Operating payments from City of Oklahoma City-----	(484,679)	(905,040)	(218,054)	(579,573)	341,524	2,956,460	1,110,638
Operating payments to City of Oklahoma City-----	-	-	(38,183)	-	-	(43,038)	(81,221)
Operating payments within the Department-----	(3,251)	-	12,771	17,067	-	(26,587)	-
Net cash provided (used) by operating activities-----	(290,249)	844,202	375,111	463,266	38,037	1,623,193	3,053,560
<u>CASH FLOWS FROM CAPITAL AND CAPITAL RELATED FINANCING ACTIVITIES</u>							
Payments for acquisition and construction of capital assets-----	-	(78,532)	-	-	-	-	(78,532)
Principal paid on long-term debt-----	-	-	-	-	-	(925,000)	(925,000)
Interest paid on long-term debt-----	-	-	-	-	-	(275,682)	(275,682)
Proceeds from sale of assets-----	-	-	-	7,921	4,617	23	12,561
Net cash provided (used) by capital and related financing activities-----	-	(78,532)	-	7,921	4,617	(1,200,659)	(1,266,653)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>							
Payments for purchase of investments-----	-	-	-	-	-	(1,215,600)	(1,215,600)
Proceeds from sale of investments-----	-	-	-	-	-	1,199,911	1,199,911
Changes in pooled investments-----	-	-	-	-	(442)	(301,290)	(301,732)
Investment income received-----	-	-	-	-	(13)	(52,279)	(52,292)
Net cash provided (used) by investing activities-----	-	-	-	-	(455)	(369,258)	(369,713)
Net increase (decrease) in cash-----	(290,249)	765,670	375,111	471,187	42,199	53,276	1,417,194
Cash, beginning-----	779,464	965,064	493,358	812,435	129,779	33,338	3,213,438
Cash, ending-----	\$489,215	\$1,730,734	\$868,469	\$1,283,622	\$171,978	\$86,614	\$4,630,632

**COMBINING STATEMENT OF CASH FLOWS
GOLF COURSES FUND
For the Fiscal Year Ended June 30, 2022**

**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)-----	(\$143,075)	\$2,741,063	\$396,151	\$964,360	(\$426,713)	(\$1,533,241)	\$1,998,545
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) OPERATING ACTIVITIES							
Depreciation-----	14,890	171,883	64,930	38,819	16,069	145,414	452,005
Other revenue-----	180	262	92	580	-	26,401	27,515
Changes in assets and liabilities:							
(Increase) decrease in accounts receivable-----	-	-	-	-	66	-	66
(Increase) decrease in receivable from City of Oklahoma City-----	(487,799)	(873,852)	(209,768)	(562,018)	346,261	2,889,598	1,102,422
(Increase) decrease in inventories-----	(21,805)	12,036	3,125	(18,268)	(3,142)	-	(28,054)
(Increase) decrease in prepaid assets-----	-	-	-	1,683	-	-	1,683
(Increase) decrease in net pension asset-----	(409,628)	(368,665)	(109,234)	(232,123)	(245,777)	-	(1,365,427)
(Increase) decrease in deferred outflows-----	(52,529)	182,724	(25,845)	6,900	1,413	-	112,663
Increase (decrease) in accounts payable and accrued expenses-----	52,123	(405)	2,758	(3,803)	19,632	141,715	212,020
Increase (decrease) in wages and benefits payable-----	(22,864)	(14,561)	(1,109)	(12,692)	(5,435)	-	(56,661)
Increase (decrease) in payable to City of Oklahoma City-----	(5,787)	11,048	(43,195)	1,159	20,172	(46,694)	(63,297)
Increase (decrease) in compensated absences-----	1,155	5,978	2,111	5,565	1,645	-	16,454
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-----	316,005	(973,337)	141,713	66,877	82,892	-	(365,850)
Increase (decrease) in deferred inflows-----	640,382	103,784	200,692	312,673	343,314	-	1,600,845
Total adjustments-----	(147,174)	(1,896,861)	(21,040)	(501,094)	464,750	3,156,434	1,055,015
Net cash provided (used) by operating activities-----	(\$290,249)	\$844,202	\$375,111	\$463,266	\$38,037	\$1,623,193	\$3,053,560

**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) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES							
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) 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

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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, 2022 and 2021, and the related notes to financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated November 23, 2022. Our report includes a reference to other auditors who audited the financial statements of the Operations of The Downtown Convention Center (Center), as described in our report on the Authority's financial statements. 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.

Report on 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) as a basis for designing 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 that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from 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 financial statements. 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

Wichita, Kansas
November 23, 2022