

THE STATE OF  
OKLAHOMA

# ACFR 2022



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2022



**OKLAHOMA**  
Office of Management  
& Enterprise Services



The south facade of the Oklahoma Capitol is bathed in evening sun.

## A HISTORIC RENOVATION FOR THE PEOPLES' HOUSE

Home to all three branches of state government and vast collections of priceless state art, the State Capitol is itself a work of art, and is more uniquely Oklahoman than any other Oklahoma building. It was Oklahoma's grandest achievement as a young state when it was built between 1914 and 1917.

But in 2014, after a century of heavy use, harsh Oklahoma weather and inconsistent maintenance and preservation efforts, the building's mechanical systems were failing, the exterior facade was crumbling and its prospects of meeting the state's needs for another 100 years were fading.

Recognizing the need to act, a renovation bill was passed to fund the Capitol's first-ever comprehensive, top-to-bottom restoration. Investigation and construction work began in 2015 and was finalized in 2022.



# **OKLAHOMA 2022**

## **Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2022**

J. Kevin Stitt  
Governor

Prepared by

Office of Management and Enterprise Services

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The Oklahoma Annual Comprehensive Financial Report is an annual publication of the Oklahoma Office of Management and Enterprise Services and is prepared by the Central Accounting & Reporting department.

Requests for additional copies, comments or questions may be directed to Stephanie Brown, Office of Management and Enterprise Services, 2401 N. Lincoln Blvd., Suite 212, Oklahoma City, Oklahoma 73105.



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“As Long as the Waters Flow,” a statue by Allan Houser, stands on the south side of the Oklahoma Capitol. Artworks surrounding the Capitol were cleaned and preserved in conjunction with the building’s restoration.

*Report photos by Ben Bigler, OMES Outreach.*







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August 30, 2023

To the Honorable J. Kevin Stitt, Governor  
Members of the Legislature, and  
Citizens of the State of Oklahoma

The Office of Management and Enterprise Services (OMES) is pleased to present the Annual Comprehensive Financial Report for the State of Oklahoma for the fiscal year ended June 30, 2022. This report is presented in three sections — introductory, financial and statistical — as the primary means of reporting the state government's financial activities. Its objectives are to provide a clear picture of the government as a single, unified entity and to provide traditional fund based financial statements. The Annual Comprehensive Financial Report was prepared in conformity with relevant Governmental Accounting Standards Board statements.

The Introductory Section contains an overview of the state's economic performance, a review of current initiatives and summary financial data. The Financial Section contains management's discussion and analysis, Government-Wide Financial Statements and fund financial statements for governmental funds, proprietary funds, fiduciary funds and similar component units, and major component units. The Financial Section also includes the notes to the financial statements, required supplementary information and other supplementary information. The Statistical Section contains selected financial and demographic information. Management's Discussion and Analysis contains complementary information, and readers are encouraged to review this section.

## **PROFILE OF THE GOVERNMENT**

Management of the state, through OMES, is responsible for the accuracy, fairness and completeness of the financial statements presented in this report. The statements are prepared in accordance with generally accepted accounting principles. To the best of our knowledge and belief, the information presented is accurate in all material respects and includes all disclosures necessary for an understanding of the state's financial position and activities. The Governor and Legislature govern all funds and accounts for every executive agency, board, commission, public trust, authority, college and university whose data are presented in this report. The financial reporting entity, the State of Oklahoma, includes these funds, organizations, agencies, boards, commissions and authorities. In accordance with Governmental Accounting Standards Board Statement 61, the state financial reporting entity includes 19 component units. There are six major component units, seven nonmajor component units, and six fiduciary component units. The major and nonmajor component units are discretely presented in the financial statements. The fiduciary component units are presented in the fiduciary fund and similar component units' financial statements, along with the other fiduciary activities of the state. The fiduciary activities are not included in the government-wide financial statements because the resources of these funds are not available to support the state's own programs.

State finances are governed by rules designed to ensure sound, conservative management. The Legislature cannot appropriate more than 95 percent of the general revenue expected to be collected in the coming year. The state Board of Equalization, an independent board not subject to legislative control, establishes the legislative appropriation authority. Unlike many states that use seasonal borrowing to meet cash demands, Oklahoma maintains a cash flow reserve sufficient to meet fluctuating cash needs. General obligation indebtedness is prohibited without a vote of the people. When revenue receipts are less than estimated, the Director of the Office of Management and Enterprise Services is mandated by the Oklahoma Constitution to declare a revenue shortfall and reduce appropriations, as required, to allow appropriations to be covered by current year tax collections.



The state's financial statements are audited by the Office of the State Auditor and Inspector. The goal of the independent audit is to provide reasonable assurance that the financial statements of the state for the fiscal year ended June 30, 2022, are free of material misstatement. The audit is conducted in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and the significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded that, based upon the audit, there is a reasonable basis for rendering an unmodified opinion and that the State of Oklahoma's financial statements for the fiscal year ended June 30, 2022, are fairly presented in conformity with generally accepted accounting principles (GAAP). The independent auditor's report is presented as the first component of the Financial Section of this report.

### **Internal Controls**

Management of the State of Oklahoma is responsible for the establishment and maintenance of internal accounting controls designed to ensure assets are safeguarded and financial transactions are properly recorded and adequately documented. Such internal controls require estimates and judgments from management so that, in attaining reasonable assurance as to the adequacy of such controls, the cost does not exceed the benefit obtained.

### **Budget and Fiscal Policy**

The budget process begins when each agency, other than the Legislature, that expends money through the state treasury submits an annual budget request to OMES. Copies are also provided to the legislative fiscal staffs. These requests are reviewed and analyzed for the Governor by OMES. The Governor then makes formal recommendations in the executive budget which is presented to the Legislature on the first day of the legislative session. During the legislative session, legislative committees review agency needs and recommend appropriation levels. Then the Legislature must approve all appropriation bills to fund agency operations for the next fiscal year. Appropriation bills provide for state appropriated funds and establish spending limits for state agencies. The Governor can accept, reject or line-item veto particular legislative appropriations. Before encumbering or spending money in the fiscal year, each agency must submit a budget work program to OMES. The program outlines, by account, fund source and program category, how the agency plans to spend the available state, federal and revolving funds during the fiscal year. OMES must approve an agency's budget work program before agencies can encumber or spend available funds.

Oklahoma's Constitution restricts total appropriations to 95 percent of estimated general revenues. The Oklahoma State Board of Equalization is responsible for approving the official itemized estimate of revenues based upon information provided by OMES and the Oklahoma Tax Commission and sets the amount of legislative appropriations authority. The board is comprised of six elected officials and the president of the state Board of Agriculture. The six elected officials are the Governor, the state auditor and inspector, the state treasurer, the lieutenant governor, the attorney general, and the superintendent of public instruction.

The constitution requires that collections in excess of the Oklahoma State Board of Equalization's itemized estimate of general revenue fund revenues be deposited to the Constitutional Reserve or "Rainy Day" Fund each year until the balance of the "Rainy Day" Fund equals 15 percent of the prior fiscal year's General Revenue Fund certified appropriations authority. In November 2004, Oklahoma voters enacted restrictions on the use of the "Rainy Day" Fund. Up to one-fourth of the July 1 balance each year may be appropriated upon an emergency declaration by the Governor with concurrence of two-thirds of the House and Senate, or by a declaration of an emergency by the House of Representatives' speaker and Senate's president pro tempore with concurrence of three-fourths of the members of each legislative body. Up to three-eighths of the fund may be accessed if the Oklahoma State Board of Equalization is forecasting a decline in state revenues for the coming fiscal year and up to three-eighths may be utilized in the event of a current year revenue shortfall.

The state also has an oversight process for the issuance of debt. The Council on Bond Oversight is responsible for the review and approval of all debt issued by the state, its agencies and public trusts, and performs an assessment of all capital leases.

## **Proprietary Operations**

The state's proprietary operations are comprised of governmental agencies and quasi-governmental agencies providing goods or services to the public on a user charge basis. These activities are financed and operated in a manner similar to private business enterprises. They operate with the intent to recover the costs of operations from those directly benefiting from the goods or services. Some of the activities included in the state's proprietary operations are power generating plants, turnpikes, medical services, insurance, and financing services for both public and private entities.

## **Capital Assets**

These financial statements include the capital assets of the state. A discussion of capital assets accounting is included in the Management Discussion and Analysis that are part of the basic financial statements. More detailed information about capital assets can be found in the notes to the financial statements.

# **ECONOMIC CONDITIONS AND OUTLOOK**

## **National Factors**

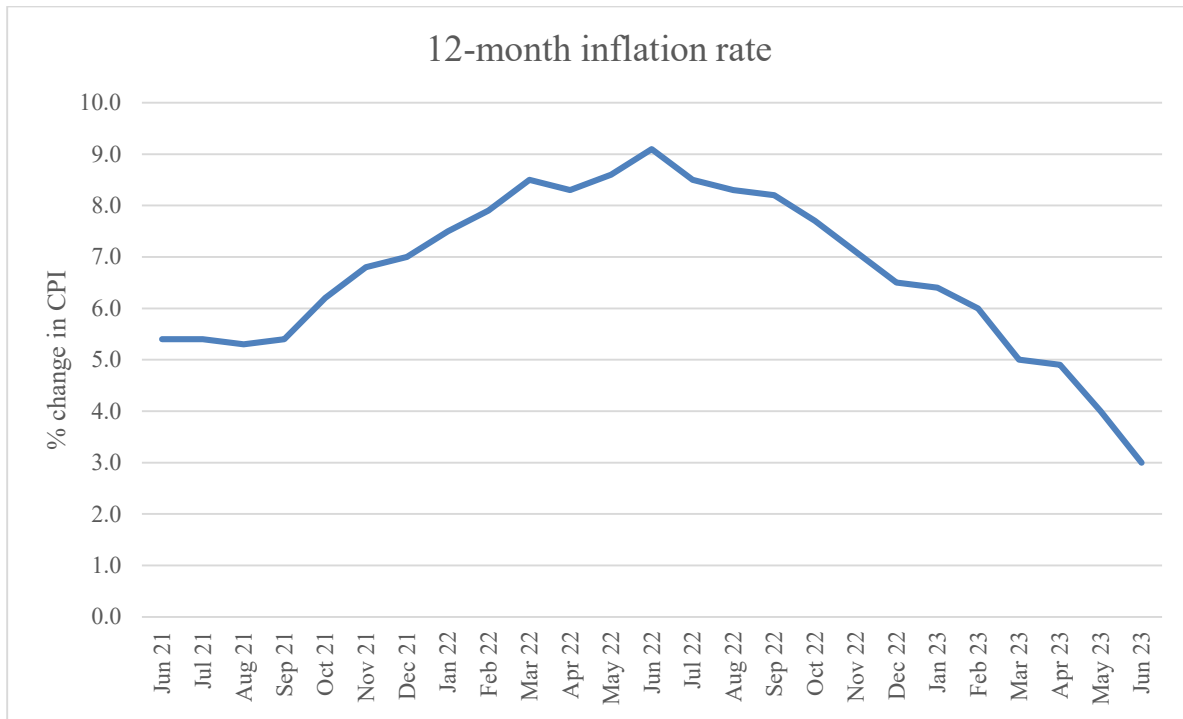
The nation's economic outlook continues to be dominated by supply-chain disruptions, price inflation, and rising interest rates.

The beginning of the COVID-19 pandemic in February 2020 caused immediate disruptions to both consumer demand and supply-chains, resulting in falling prices and unemployment. In response, the Federal Reserve cut the federal funds rate to effectively 0% to stimulate the economy (*figure 1*). Economic stimulus in the form of federal spending soon followed.

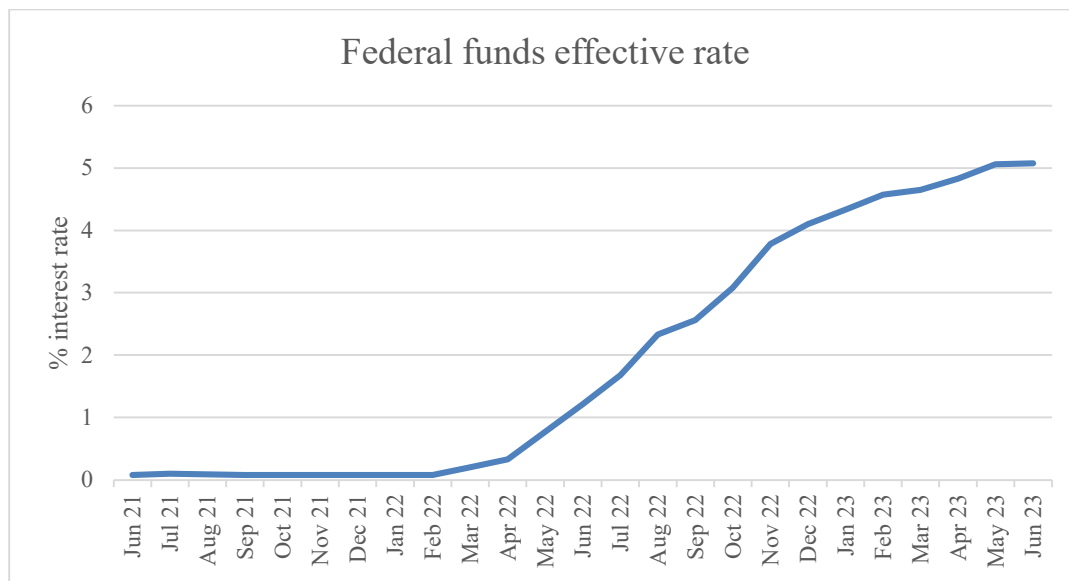
A combination of shifting consumer demand and continuing supply-chain disruptions caused prices to rise sharply over the course of 2021(*figure 1*). Supply-constraints put additional pressure on prices in early 2022, coinciding with the Russian invasion of Ukraine.

The Federal Reserve responded to price inflation by increasing the federal funds rate at its fastest pace in decades, starting in March 2022. Following this policy of monetary tightening, the 12-month inflation rate has fallen from its June 2022 peak of 9.0% (*figure 1*).

Throughout the last half of fiscal year 2022, interest rates continued to rise and the rate of inflation continued to fall. Interest rates are likely to continue to rise until the Federal Reserve achieves its policy objective of 2% inflation. Monetary tightening is expected to constrain activity in interest-dependent sectors of the economy, like home & car buying, which could result in reduced growth or even modest reductions in state revenues over time.



(Figure 1, Source: U.S. Bureau of Labor Statistics)



(Figure 2, Source: St. Louis Fed)

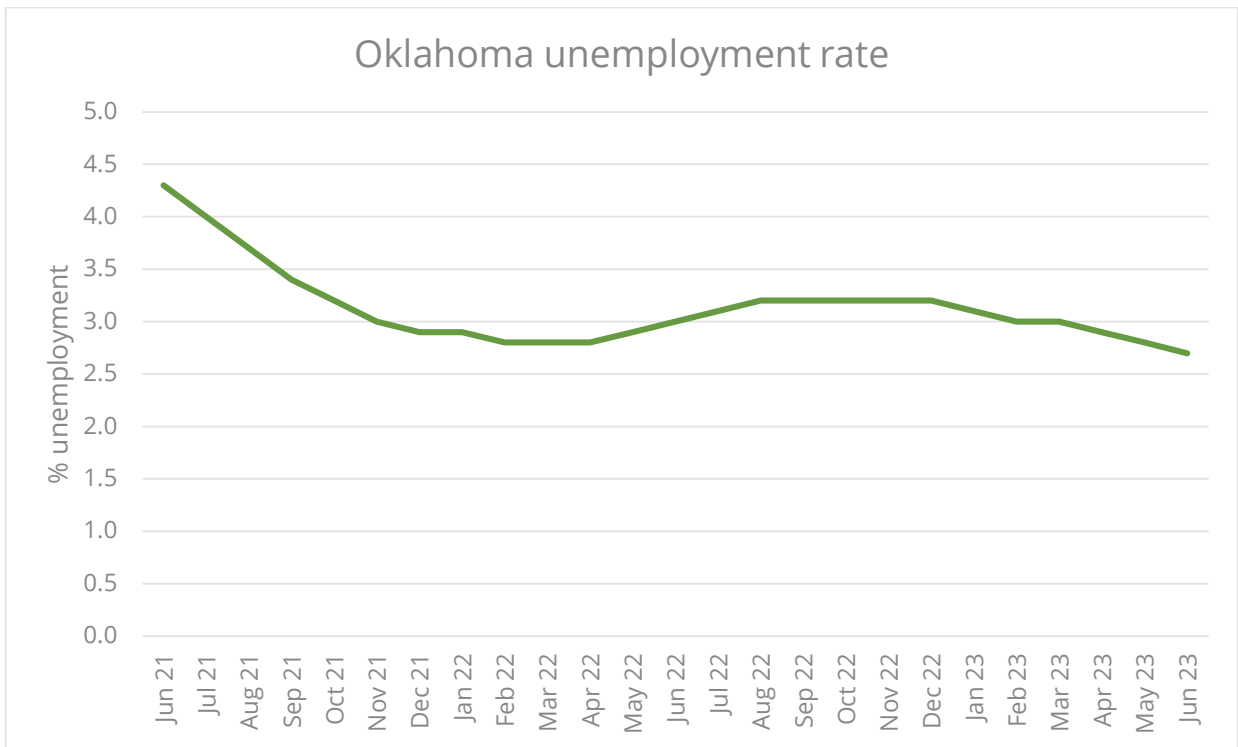
### Oklahoma's Job Market

Oklahoma's unemployment rate peaked at 12.5% in April 2020 as a result of the COVID-19 pandemic, a record high for the last decade.

Oklahoma's unemployment fell gradually over the following three years, returning to pre-pandemic levels by summer 2021. Wages in Oklahoma have followed a similar trajectory, rising sharply throughout 2021 and continuing to rise gradually (figure 4).

Unemployment started to gradually rise in May 2022, following the Federal Reserve’s rate increase (*figure 2*), reaching a rate of 3.2% in Oklahoma as of November which persisted through December. Wage growth continued through early 2022, but the pace of growth has slowed somewhat in the last quarter of the year. Wage growth from January through June 2023 continued the trend observed over calendar year 2022.

High wages and low unemployment drove higher-than-anticipated revenue collections during fiscal year 2021 and fiscal year 2022, particularly for the state sales and income taxes. While unemployment typically rises during periods of monetary tightening, the overall rate remains relatively low and wages remain relatively high. The state also achieved record revenue collections in FY 2023 of \$9 billion.



(Figure 3, Source: St. Louis Fed)



(Figure 4, Source: St. Louis Fed)

## Energy Markets

The economic outlook for international energy markets is influenced by recent supply-chain disruptions resulting from the COVID-19 pandemic, the February 2021 winter storm, and Russia’s invasion of Ukraine.

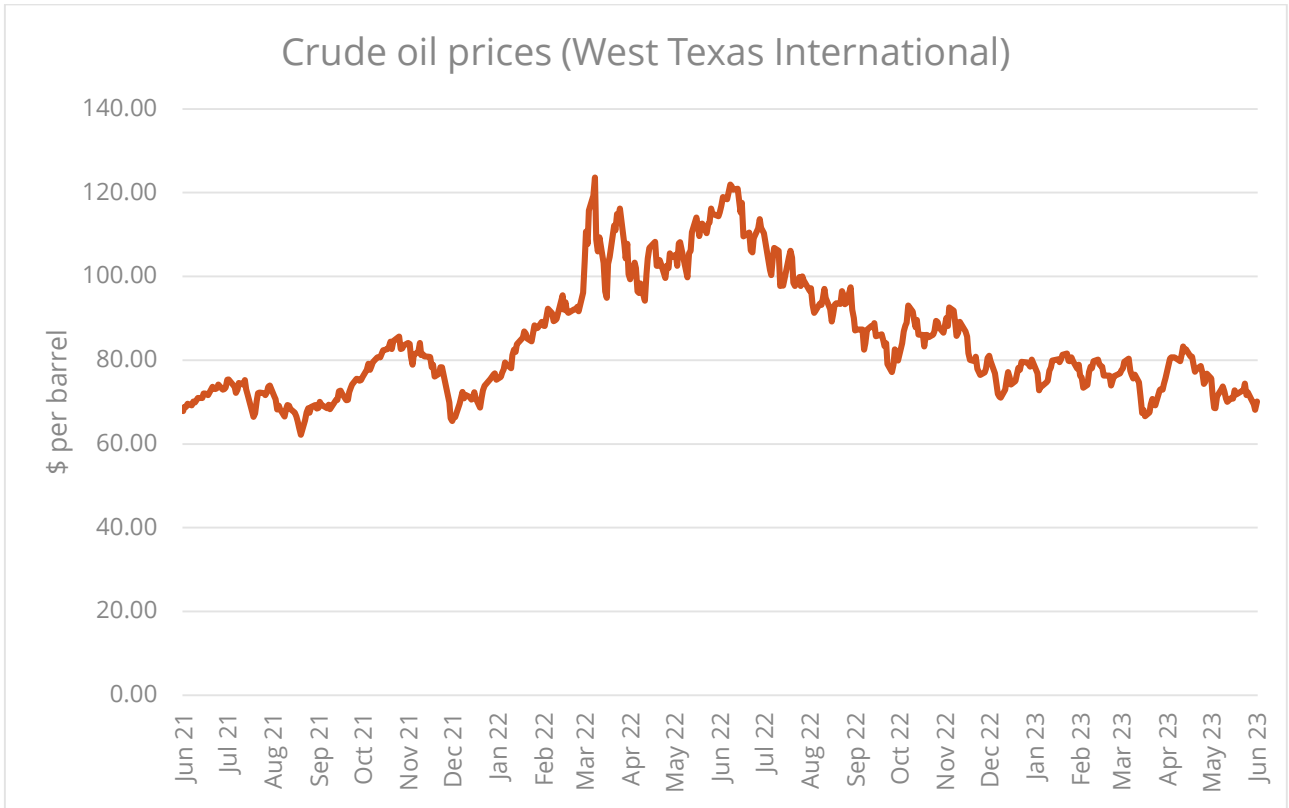
COVID-19 produced a sudden decrease in consumer demand that sharply reduced the price of oil. Producers responded by reducing supply, which resulted in a decrease in the number of rotary rigs operating in Oklahoma in 2020. Throughout 2021 and through 2022, the number of rigs in operation steadily increased but began to decrease as prices and demand stabilized from January through June 2023 (figure 7).

Both the price of oil and number of rigs operating in Oklahoma gradually recovered throughout 2020 and 2021. Another supply shock, Russia’s invasion of Ukraine in February 2022, resulted in a sudden short-term increase in oil prices. Prices of crude oil and natural gas peaked in the summer of 2022 and have begun to fall (figure 5 and figure 6), coinciding with tightening monetary policy (figure 2).

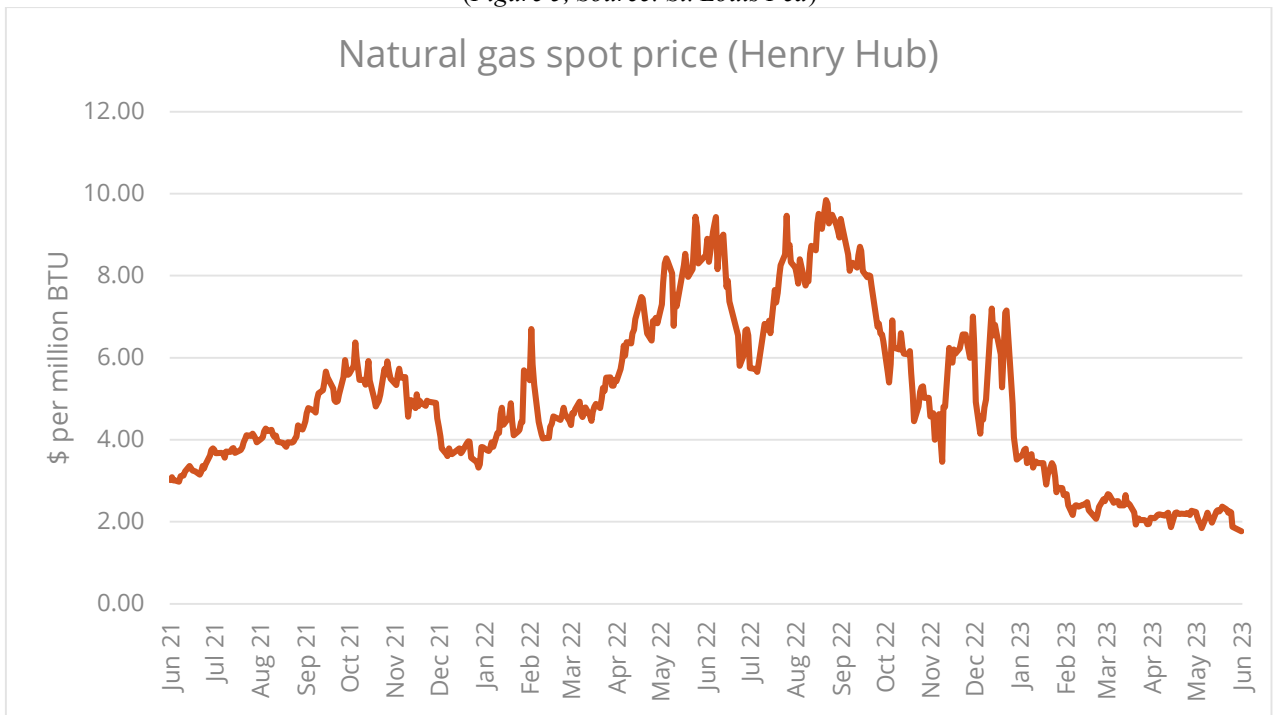
Natural gas prices spiked to unprecedented levels during the winter storm in February 2021 before stabilizing for the remainder of the year. After Russia’s invasion of Ukraine in February 2022, natural gas prices started to trend upwards, and remained volatile throughout 2022. However, a combination of increased supply capacity and constrained demand (due to a warmer than average winter) exerted downward price pressure on natural gas that continued throughout late 2022 and early 2023.

Gross production taxes make up a significant portion of state revenues and are impacted by energy prices and production. Supply and demand decreases in early 2020 sharply reduced revenues from gross production taxes, while supply and demand increases in 2021 and 2022 greatly increased state revenues. Current trends driven by monetary tightening indicate that oil and gas revenues in 2023 may decrease from the historic highs of 2022. However, the volatility apparent in the oil and gas markets after the Ukraine invasion indicate that longer-term trends are difficult to accurately predict.

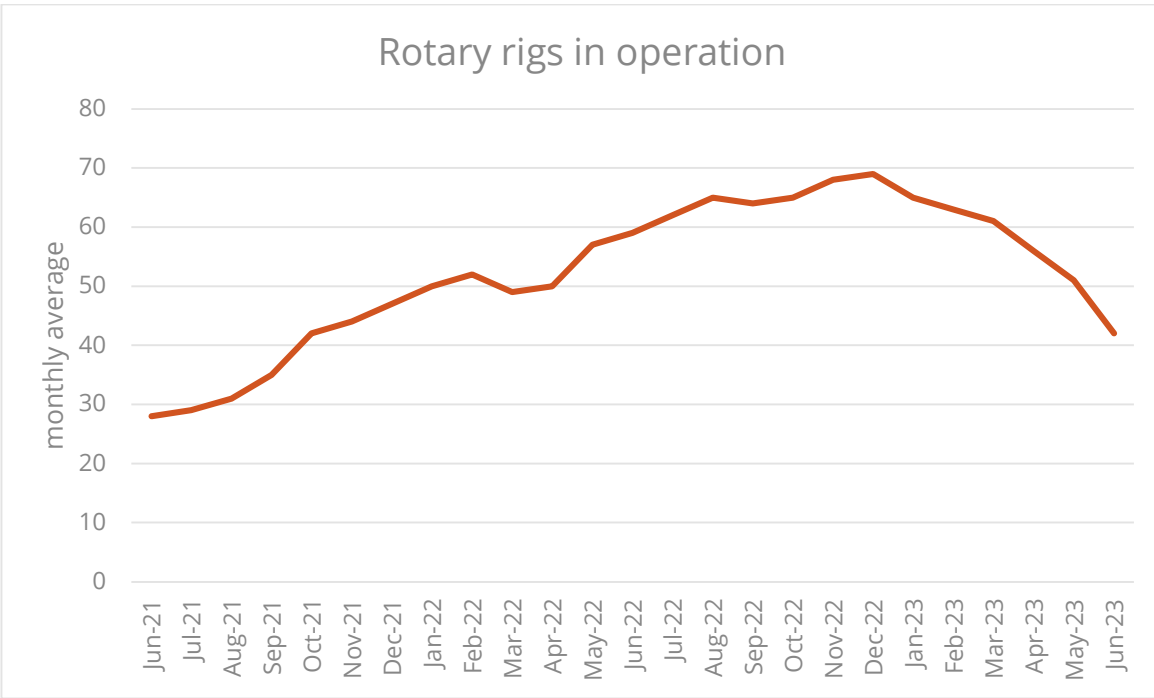




(Figure 5, Source: St. Louis Fed)



(Figure 6, Source: St. Louis Fed)



(Figure 7, Source: Baker Hughes)

Highlights of the fiscal year 2022 and fiscal year 2023 executive branch budgets include (expressed in millions):  
*(Note: For comparative purposes, Amount Appropriated presented in the table below exclude American Rescue Plan Act federal funds that were appropriated by the state legislature)*

	Amount Appropriated		Percentage of Total Appropriations		Increase (Decrease) from Prior Year		Percentage Increase (Decrease)	
	2022	2023	2022	2023	2022	2023	2022	2023
Department of Education	\$ 3,164	\$ 3,134	36%	30%	\$ 171	\$ (30)	6%	(1%)
Regents for Higher Education	813	874	9%	8%	43	61	6%	8%
Career & Technical Education	139	142	2%	1%	2	3	1%	2%
Other Education	43	43	0%	0%	3	-	8%	0%
Total Education	<u>\$ 4,159</u>	<u>\$ 4,193</u>	<u>47%</u>	<u>39%</u>	<u>\$ 219</u>	<u>\$ 34</u>	<u>6%</u>	<u>1%</u>
Department of Health	\$ 59	\$ 62	1%	1%	7	3	13%	5%
Health Care Authority	1,194	1,263	13%	12%	219	69	22%	6%
Department of Mental Health	321	340	4%	3%	(14)	19	(4%)	6%
Other Health	148	201	1%	1%	35	53	31%	36%
Total Health	<u>\$ 1,722</u>	<u>\$ 1,866</u>	<u>19%</u>	<u>17%</u>	<u>\$ 247</u>	<u>\$ 144</u>	<u>17%</u>	<u>8%</u>
Department of Human Services	\$ 718	\$ 754	9%	8%	20	36	3%	5%
Office of Juvenile Affairs	95	102	1%	1%	2	7	2%	7%
Other Human Services	83	91	1%	1%	1	8	1%	10%
Total Human Services	<u>\$ 896</u>	<u>\$ 947</u>	<u>11%</u>	<u>10%</u>	<u>\$ 23</u>	<u>\$ 51</u>	<u>3%</u>	<u>6%</u>
Department of Corrections	\$ 544	\$ 552	6%	5%	13	8	2%	1%
Department of Transportation	762	806	9%	8%	592	44	348%	6%
Department of Public Safety	103	106	1%	1%	8	3	8%	3%
Other	643	2,079	7%	20%	70	1,436	12%	223%
Total	<u><u>\$ 8,829</u></u>	<u><u>\$ 10,549</u></u>	<u><u>100%</u></u>	<u><u>100%</u></u>	<u><u>\$ 1,172</u></u>	<u><u>\$ 1,720</u></u>	<u><u>15%</u></u>	<u><u>19%</u></u>

## FINANCIAL INFORMATION

### Governmental Functions

Most financial operations of the state are reported in governmental fund types, which are the general fund and the permanent funds. Following are schedules of revenues and expenditures for these governmental funds. Note that the following tables present data according to GAAP for the fiscal year ended June 30, 2022, while previous tables have presented budgetary data for this and later periods. Transfers are primarily from the general fund to support public institutions of higher education.

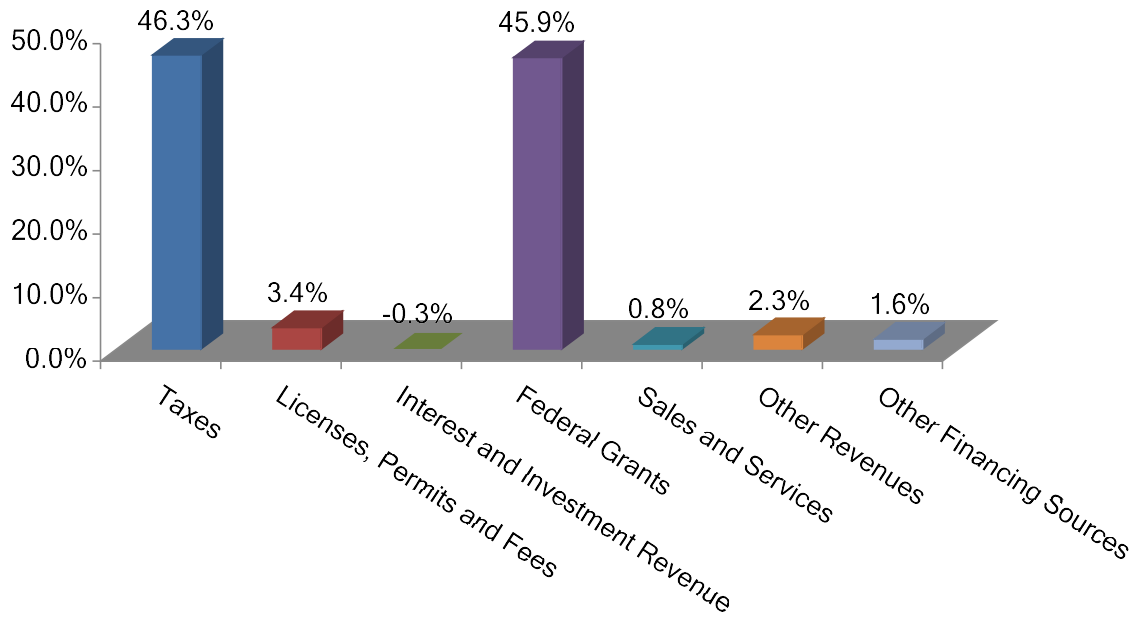
Governmental Funds: Revenues and Other Financing Sources - GAAP Basis  
(expressed in millions)

	2022 Amount	Percentage of Total	Increase (Decrease) from Prior Year	Percentage Increase (Decrease)
Taxes	\$ 13,393	46.3%	\$ 2,609	24.2%
Licenses, permits and fees	982	3.4%	126	14.7%
Interest and investment revenue	(76)	-0.3%	(1,173)	(106.9%)
Federal Revenues	13,283	45.9%	2,697	25.5%
Sales and services	223	0.8%	(47)	(17.4%)
Other revenues	669	2.3%	(115)	(14.7%)
Other financing sources:				
Transfers	93	0.3%	(3)	(3.1%)
Issuance of debt	320	1.1%	34	11.9%
Other	30	0.2%	24	400.0%
<b>Total revenues and other financing sources</b>	<b>\$ 28,917</b>	<b>100.0%</b>	<b>\$ 4,152</b>	<b>16.8%</b>

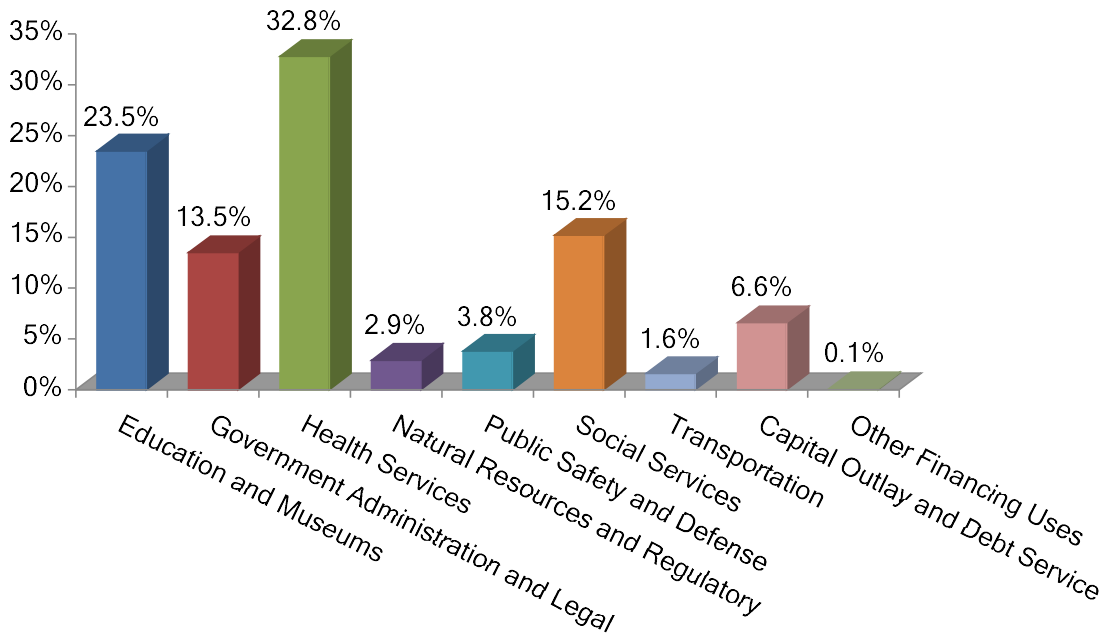
Governmental Funds: Expenditures and Other Financing Uses - GAAP Basis  
(expressed in millions)

	2022 Amount	Percentage of Total	Increase (Decrease) from Prior Year	Percentage Increase (Decrease)
Education	\$ 6,047	23.4%	\$ 810	15.5%
Government administration	3,190	12.4%	245	8.3%
Health services	8,478	32.8%	1,690	24.9%
Legal and judiciary	296	1.1%	22	8.0%
Museums	14	0.1%	1	7.7%
Natural resources	464	1.8%	(34)	(6.8%)
Public safety and defense	970	3.8%	62	6.8%
Regulatory services	277	1.1%	(9)	(3.1%)
Social services	3,942	15.2%	661	20.1%
Transportation	417	1.6%	186	80.5%
Capital outlay	1,489	5.8%	(326)	(18.0%)
Debt service	206	0.8%	25	13.8%
Other financing uses:				
Transfers	14	0.1%	(4)	(22.2%)
<b>Total expenditures and other financing uses</b>	<b>\$ 25,804</b>	<b>100.0%</b>	<b>\$ 3,329</b>	<b>14.8%</b>
<b>Governmental Funds - Net increase in fund balance</b>	<b>\$ 3,113</b>			

**Governmental Fund Revenues and Other  
Financing Sources (GAAP Basis) – Fiscal Year 2022**



**Governmental Funds Expenditures and Other  
Financing Uses (GAAP Basis) – Fiscal Year 2022**



## Revenue Collections and Estimates

As noted in a preceding subsection, the budget is prepared using cash available plus 95 percent of the itemized revenue estimate as approved by the Oklahoma State Board of Equalization. It should be noted that taxes deposited into the budgetary General Revenue Fund, as defined by Oklahoma law, are approximately 75 percent of the total tax revenues of the governmental funds, as defined by GAAP. However, the budgetary General Revenue Fund should not be confused with the general fund as presented in the accompanying GAAP-basis financial statements, as the two terms are not interchangeable. For example, the GAAP-basis general fund includes revenues deposited to the state Transportation Fund, federal grant proceeds, revolving fund revenues, fees and charges as well as other money used in the general operations of government which are not considered in the Board of Equalization's estimates of tax revenues.

During 2022, receipts in all of the five major taxes were more than revenues of the prior year. The total of major taxes combined for \$7.3 billion, an increase of \$1.4 billion or 23.4 percent of total receipts for the same categories in the prior year. As compared to fiscal year 2021, collections from income taxes increased by \$407.5 million, or 12.5 percent; sales taxes increased by \$298.5 million or 13.6 percent; motor vehicle taxes increased \$23.5 million, or 66.2 percent; and gross production taxes on gas and oil increased by \$656.1 million, or 156.7% percent.

Oklahoma has established an enviable record in recent years for its revenue forecasting results. Since enactment of a constitutional amendment in 1985 establishing new revenue estimating procedures, collections have exceeded the estimate in 20 years and dipped below the estimate 16 years. The comparison of estimated revenues to actual collections for fiscal year 2022 is as follows:

Revenue Collections Compared to Itemized Estimate for Fiscal Year 2022  
(expressed in millions)

	Itemized Estimate	Actual Collections	Over (Under) Estimate	Percentage Collected
Individual and Corporate				
Income tax	\$ 2,855.8	\$ 3,676.3	\$ 821	128.7%
Sales tax	2,164.1	2,495.2	331	115.3%
Motor vehicle tax	45.2	59.0	14	130.5%
Gross production tax	529.5	1,074.7	545	203.0%
Subtotal Major Taxes	\$ 5,594.6	\$ 7,305.2	\$ 1,711	130.6%
Other sources	1,047.7	1,188.5	141	113.4%
Total	<u>\$ 6,642.3</u>	<u>\$ 8,493.7</u>	<u>\$ 1,851</u>	127.9%



The 15-year comparative history of estimated to actual collections is shown in the following table:

Budgetary General Revenue Fund Comparisons  
(expressed in millions)

Fiscal Year	Itemized Estimate	Actual Collections	Over (Under) Estimate	Percentage Collected
2008	5,845	5,981	136	102.3%
2009	5,981	5,544	(437)	92.7%
2010	5,415	4,622	(793)	85.4%
2011	4,889	5,138	249	105.1%
2012	5,236	5,564	328	106.3%
2013	5,601	5,604	3	100.1%
2014	5,889	5,627	(262)	95.6%
2015	5,857	5,727	(130)	97.8%
2016	5,746	5,205	(541)	90.6%
2017	5,220	5,044	(176)	96.6%
2018	5,473	5,854	381	107.0%
2019	6,505	6,860	355	105.5%
2020	6,989	6,273	(716)	89.8%
2021	6,726	7,008	282	104.2%
2022	6,642	8,494	1,852	127.9%
Fifteen-Year Average	\$ 5,868	\$ 5,903	\$ 35	100.6%

The status of three important fund balances affecting the new year’s fiscal picture is explained as follows:

**Cash-Flow Committed Fund** – Each year, up to 10 percent of the General Revenue Fund’s certified appropriation level may be set aside to meet anticipated monthly cash flow needs for the new fiscal year. At the close of fiscal year 2022, the State set aside \$571 million to meet anticipated monthly cash flow needs for the new fiscal year.

**General Revenue Fund** – In fiscal year 2022, there were amendments to the budget that netted an additional \$254.9 million. Carried-over amounts from prior years of \$146.1 million were added to the budget compared to a \$146.3 million carry-over in fiscal year 2021. Carry-over funds reflect the difference between the 95 percent appropriation limit and actual receipts up to 100 percent of the estimate. Funds required to replenish or increase the cash-flow committed fund also come from this source. An additional \$95.3 million was added to fund a portion of the ad valorem reimbursement to schools. The Oklahoma Office of Management and Enterprise Services received an additional \$7.5 million for the implementation of “Service Oklahoma.”

**Constitutional Reserve “Rainy Day” Fund** - At the start of each fiscal year, collections that exceed the estimate for the preceding year are automatically deposited in the “Rainy Day” Fund until the total balance equals 15 percent of the prior year's certified collections for the General Revenue Fund. As a result of different triggers for making the funds available for use, any amounts deposited to the fund are split between unassigned and restricted fund balance. For the fiscal year beginning July 1, 2022, the restricted portion had a balance of \$788.4 million and the unassigned portion had a balance of \$262.8 million, giving the total Constitutional Reserve Fund a balance of \$1.1 billion.

## FOR THE FUTURE

As Oklahoma's economy continues to emerge from the effects of the COVID-19 pandemic, State government will focus on critical issues to ensure the health and safety of our citizens and to capitalize on potential for growth. Immediate goals will include continued efforts to grow and diversify the state's economy through growing new jobs and creating a more business friendly environment. The state will take steps to increase efficiencies; reduce the cost of recurring expenditures; create a more structurally balanced budget; build financial reserves; and improve the state credit rating.

## CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the State of Oklahoma for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2021. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of a state and local government financial report.

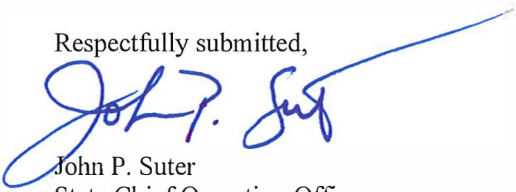
In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized ACFR, whose contents conform to program standards. The ACFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The State of Oklahoma has received the Certificate of Achievement for each year since 1996. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

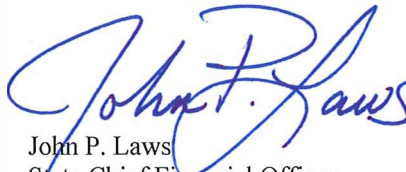
## ACKNOWLEDGMENTS

OMES is pleased to recognize and commend the efforts of the numerous individuals across the state that made this ACFR possible. Questions or requests for additional information related to this report can be directed to our office at 405-521-2141.

Respectfully submitted,



John P. Suter  
State Chief Operating Officer



John P. Laws  
State Chief Financial Officer



Government Finance Officers Association

Certificate of  
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for Excellence  
in Financial  
Reporting

Presented to

**State of Oklahoma**

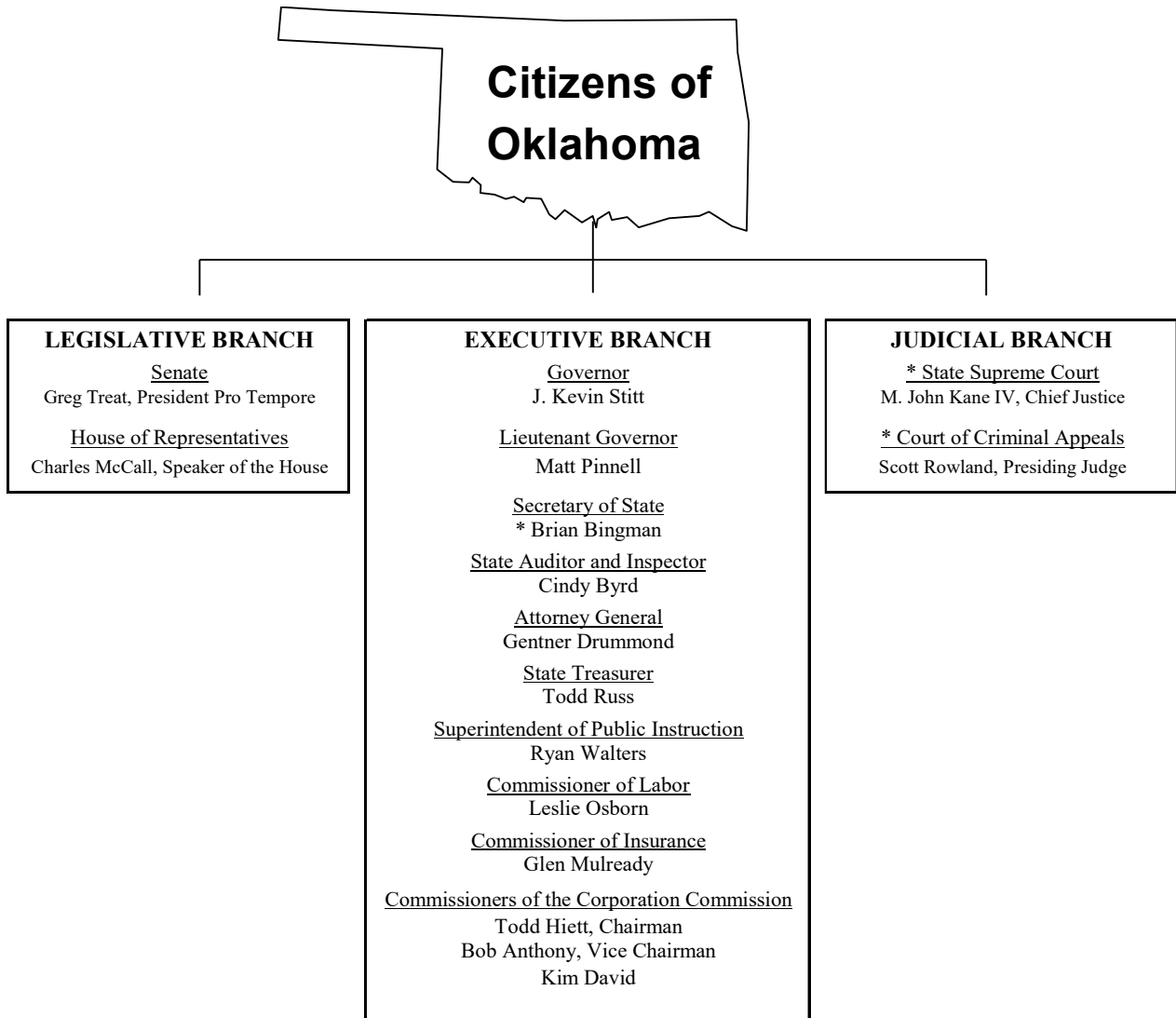
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morrill*

Executive Director/CEO

## Selected Oklahoma State Officials



\* Appointed to position

<b>CABINET DEPARTMENT SECRETARIES</b>		
Agriculture	Human Services	Tourism, Wildlife, & Heritage
Budget	Licensing & Regulation	Transportation
Commerce	Operations & Government	Veterans Affairs
Education	Efficiency	& Military
Energy & Environment	Public Safety	Workforce Development
Health & Mental Health	State & Native American Affairs	

The cabinet secretaries are appointed by the governor with the approval of the Senate. Many of the secretaries are also heads of the executive branch agencies. State agencies are assigned to a cabinet department by the governor. The specific agency assignments to each cabinet are shown on the next page. Agency numbers are listed to the left of the agency name. Officials, cabinet department secretaries, and agencies are as of date of publication.

# State Agencies by Cabinet

305 Office of the Governor  
 440 Office of the Lieutenant Governor

## Agriculture

40 Agriculture, Food and Forestry, Dept of  
 39 Boll Weevil Eradication Org.  
 645 Conservation Commission  
 353 Horse Racing Commission  
 790 Veterinary Medical Examiners Board

## Budget

300 Auditor & Inspector \*  
 315 Firefighters Pension & Retirement  
 416 Law Enforcement Retirement  
 557 Police Pension & Retirement System  
 515 Public Employees' Retirement System  
 695 Tax Commission  
 715 Teachers Retirement System  
 740 Treasurer \*

## Commerce

915 Capital Investment Board  
 628 Center f/t Adv. of Sci. & Technology  
 160 Commerce, Department of  
 900 Development Finance Authority  
 922 Housing Finance Authority  
 370 Industrial Finance Authority  
 391 Multiple Injury Trust Fund  
 346 Space Industry Development Auth.  
 865 Workers' Compensation Commission

## Education

800 Career & Technology Education  
 605 Regents for Higher Education  
 265 Education, Department of  
 266 Educational Television Authority  
 275 Educ. Qual. & Account., Comm. for  
 430 Library Department  
 563 Private Vocational School, Board of  
 629 School of Science & Mathematics  
 618 Student Loan Authority  
 803 Virtual Charter School Board  
Colleges and Universities:  
 100 Cameron University  
 108 Carl Albert State College  
 165 Connors State College  
 230 East Central University  
 240 Eastern Oklahoma State College  
 420 Langston University  
 470 Murray State College  
 480 Northeastern Okla. A & M College  
 485 Northeastern State University  
 490 Northern Oklahoma College  
 505 Northwestern Oklahoma State Univ.  
 530 Oklahoma Panhandle State Univ.  
 10 Oklahoma State University  
 761 Oklahoma University Law Center  
 633 Oklahoma City Community College  
 770 Okla. University Health Science Ctr.  
 773 OSU -College of Osteopathic Medicine  
 14 OSU -College of Veterinary Medicine  
 11 OSU -Experiment Station  
 12 OSU -Extension Division  
 13 OSU -School of Tech. Training  
 15 OSU -Technical Institute of OKC  
 16 OSU -Tulsa  
 771 OU Health Sci. Ctr. Prof. Prac. Plan  
 241 Redlands Community College  
 610 Regional University System of Ok  
 461 Rogers State University  
 531 Rose State College  
 623 Seminole State College  
 660 Southeastern Oklahoma State Univ.  
 665 Southwestern Oklahoma State Univ.  
 750 Tulsa Community College  
 758 University Center at Ponca City  
 120 University of Central Oklahoma

760 University of Oklahoma  
 761 University of Oklahoma Law School  
 765 University of Oklahoma - Tulsa  
 150 Univ. of Science and Arts of Okla.  
 41 Western Oklahoma State College

## Energy and Environment

185 Corporation Commission \*  
 359 Energy Resources Board  
 292 Dept. of Environmental Quality  
 980 Grand River Dam Authority  
 307 Interstate Oil Comp. Com.  
 410 Land Office, Commissioners of the  
 445 LPG Board  
 125 Mines, Department of  
 981 Municipal Power Authority  
 835 Water Resources Board

## Health and Mental Health

44 Anatomical Board  
 783 Community Hospitals Authority  
 807 Health Care Authority  
 340 Health, Department of  
 452 Mental Health and Sub. Abuse Svc.  
 775 Oklahoma State Univ. Medical Auth.  
 92 Tobacco Settlement Endow. Trust Fund  
 825 University Hospitals Authority

## Human Services

127 Children & Youth, Commission  
 326 Disability Concerns, Office of  
 830 Human Services, Department of  
 670 J.D. McCarty Center  
 400 Juvenile Affairs, Office of  
 805 Rehabilitation Services

## Licensing and Regulation

22 Abstractor's Board  
 20 Accountancy Board  
 448 Alcohol and Drug Coun., Bd. of Lic  
 65 Banking Department  
 148 Behavioral Health Lic., Board of  
 145 Chiropractic Examiners Board  
 170 Construction Industries Bd.  
 190 Cosmetology and Barbering Board  
 215 Dentistry, Board of  
 635 Consumer Credit, Comm. for  
 285 Funeral Board  
 385 Insurance Department \*  
 405 Labor, Department of  
 45 Licensed Architects, Board of Gov.  
 622 Licensed Social Workers, Board of  
 509 Long-Term Care Admin., Bd. of Exam.  
 450 Medical Licensure & Supv., Bd. of  
 475 Motor Vehicle Commission  
 510 Nursing Board  
 520 Optometry Board  
 525 Osteopathic Examiners Board  
 343 Perfusionists, State Bd. of Examiners  
 560 Pharmacy Board  
 140 Podiatric Medical Examiners, Bd. Of  
 570 Prof. Engin. & Land Surveyors Bd.  
 575 Psychologists, Bd. of Examiners  
 588 Real Estate Commission  
 630 Securities Commission  
 675 Self-Insurance Guaranty Board  
 632 Speech Pathology & Audiology Bd.  
 755 Used Motor Vehicle and Parts Comm.

## Operations and Govrnmnt. Efficiency

85 Broadband Office  
 105 Capital Improvement Authority  
 435 Lottery Commission  
 90 Office of Mgmt. & Enterprise Services

## Public Safety

30 Alcohol Beverage Laws Enforcement  
 772 Alcohol/Drug Influence, Bd. of Tests

49 Attorney General \*  
 131 Corrections, Department of  
 220 District Attorney's Council  
 309 Emergency Management, Dept. of  
 47 Indigent Defense System  
 308 Investigation, Bureau of  
 415 Law Enf. Educ. & Trng., Council on  
 342 Medicolegal Investigations, Bd. Of  
 455 Medical Marijuana Authority  
 477 Narcotics & Dang. Drugs, Bureau of  
 306 Pardon and Parole Board  
 585 Public Safety, Department of  
 310 State Fire Marshal, Office of

## State and Native American Affairs

270 Election Board  
 296 Ethics Commission  
 678 Judicial Complaints, Council on  
 361 Native American Cultural/Ed. Auth  
 625 Secretary of State

## Tourism, Wildlife and Heritage

55 Arts Council  
 350 Historical Society  
 204 J.M. Davis Memorial Commission  
 620 Qtz Mtn. Arts/Conf. Cntr/Nat. Pk.  
 566 Tourism & Recreation, Dept. of  
 320 Wildlife Conservation, Dept. of

## Transportation

060 Aeronautics Commission  
 978 Turnpike Authority  
 345 Transportation, Department of

## Veterans Affairs & Military

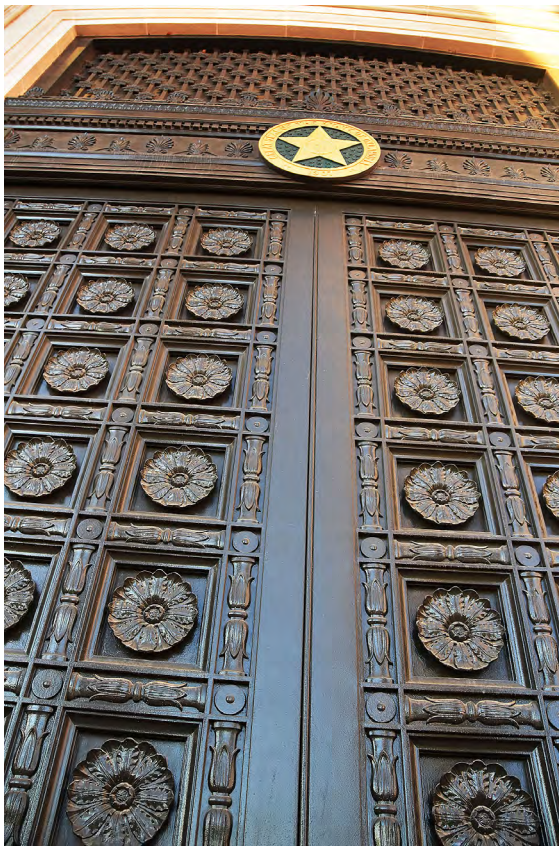
650 Veterans Affairs, Department of

## Workforce Development

290 Employment Security Commission  
 619 Health Care Workforce Trng. Comm

\* Agency is headed by a statewide elected official or their controlling board is made up of elected officials. They are assigned to a cabinet department for purposes of coordinating services and programs only.





The Capitol exterior was cleaned and repaired. Details of the building's architecture, including the restored former main entrance cast iron doors on the building's south side, were freed from years of dirt and grime. Mortar between the limestone blocks was repaired and replaced.









Top: The east side of the Capitol is shrouded in a cocoon of fabric in October 2017, while workers clean and repair the building’s exterior.

Bottom: The stonework now gleams in the morning sun with the work complete and the scaffolding dismantled.







## INDEPENDENT AUDITOR'S REPORT

### TO THE GOVERNOR AND MEMBERS OF THE LEGISLATURE OF THE STATE OF OKLAHOMA

#### Report on the Audit of the Financial Statements

##### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Oklahoma, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the State of Oklahoma's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Oklahoma, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit:

- the financial statements of the Water Resources Board, the Employees Group Insurance Division of the Office of Management and Enterprise Services, and the Lottery Commission, which in the aggregate represent eighty-one percent of the assets, sixty-one percent of the net position, and seventy-two percent of the revenues of the proprietary funds;
- the financial statements of the Oklahoma Municipal Power Authority, Oklahoma Housing Finance Agency, Grand River Dam Authority, Oklahoma Turnpike Authority, University of Oklahoma, University of Oklahoma – Foundation, Oklahoma State University, Oklahoma State University – Foundation, Regents for Higher Education, and University of Oklahoma – Health Sciences Center, which in the aggregate represent eighty-two percent of the assets, eighty-four percent of the net position, and sixty-seven percent of the revenues for the aggregate discretely presented component units;
- the financial statements of the Commissioners of the Land Office, the Department of Wildlife Lifetime Licenses, and the Tobacco Settlement Endowment permanent funds, which in the aggregate represent one hundred percent of the assets, one-hundred percent of the fund balance, and one-hundred percent of the revenues of the permanent funds;
- the financial statements of the Oklahoma Teachers Retirement System, the Oklahoma Public Employees Retirement System, and the Oklahoma Firefighters Pension and Retirement System, which in the aggregate represent eighty-seven percent of the assets, eighty-eight percent of the net position, and a negative four hundred thirty-eight percent of the additions of the aggregate remaining fund information. This negative percentage is due to a decrease in the fair value of investments for these pension funds.
- the financial statements of the Department of Commerce which in the aggregate represent one percent of the assets, one percent of the fund balance, and zero percent of the revenues of the general fund.

Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the aforementioned entities, are based solely on the reports of the other auditors.

### ***Basis for Opinions***

We conducted our audit 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 State of Oklahoma, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Emphasis of Matters***

As discussed in Note 1, the Multiple Injury Trust Fund (MITF) had a net deficit or negative net position of approximately \$437,017,000 at December 31, 2021, primarily due to court awards exceeding the apportionment of special tax revenue collected.

As discussed in Note 1, effective July 2021, the State of Oklahoma adopted the provisions of GASB Statement No. 87, *Leases*, GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, GASB Statement No. 92, *Omnibus*, GASB Statement No. 93, *Replacement of Interbank Offered Rates*, and GASB Statement No. 99, *Omnibus 2022*.

Our opinions are not modified with respect to these matters.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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 State of Oklahoma'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 audit 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 generally accepted 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 State of Oklahoma'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 State of Oklahoma'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, Budgetary Comparison Schedule-Budget to Actual (Non-GAAP Budgetary Basis) General Fund, the Notes to Required Supplementary Information-Budgetary Reporting, the Pension Data Required by GASB 68, and the OPEB Data required by GASB 75, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State of Oklahoma'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 by us and other auditors. In our opinion, based on our audit and the reports of the other auditors, 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 and statistical sections 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 audit 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 will also issue our report dated August 30, 2023, on our consideration of the State of Oklahoma'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. That report will be issued under separate cover. 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 State of Oklahoma'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 State of Oklahoma's internal control over financial reporting and compliance.



CINDY BYRD, CPA  
OKLAHOMA STATE AUDITOR & INSPECTOR

August 30, 2023





The Capitol's interior colors have been restored to what they were when it was built. Many of the walls in the rotunda have been repainted to resemble the original pattern of stone blocks.





## MANAGEMENT'S DISCUSSION AND ANALYSIS

Management of the State of Oklahoma provides this Management's Discussion and Analysis of the State of Oklahoma's Annual Comprehensive Financial Report (ACFR) for readers of the state's financial statements. This narrative overview and analysis of the financial activities of the State of Oklahoma is for the fiscal year ended June 30, 2022. We encourage readers to consider this information in conjunction with the additional information that is furnished in the Letter of Transmittal, which can be found preceding this narrative, and with the state's financial statements which follow.

### FINANCIAL HIGHLIGHTS - PRIMARY GOVERNMENT

#### Government-Wide Highlights:

*Net Position* - The assets plus deferred outflows of resources of the state exceeded its liabilities and deferred inflows of resources at fiscal year ending June 30, 2022, by \$28.4 billion (presented as "net position"). Of this amount, \$8.8 billion was reported as "unrestricted net position." Unrestricted net position represents the amount available to be used to meet the state's ongoing obligations to citizens and creditors.

*Changes in Net Position* - The state's total net position increased by \$3.7 billion (a 14.8% increase) in fiscal year 2022 after a 8.0% increase during the previous fiscal year. Net position of governmental activities increased by \$3.5 billion (a 15.4% increase), while net position of the business-type activities showed an increase of \$132.1 million after a decrease of \$583.0 million in the prior fiscal year.

#### Fund Highlights:

*Governmental Funds - Fund Balances* - As of the close of fiscal year 2022, the state's governmental funds reported a combined ending fund balance of \$14.7 billion, an increase of \$3.1 billion in comparison with the prior year. Of this total amount, \$4.1 billion represents nonspendable fund balance, with \$90.1 million being in the General Fund. Amounts that can be spent include \$1.6 billion of restricted fund balance, \$8.5 billion of committed fund balance, \$155.3 million of assigned fund balance, and \$262.8 million of unassigned fund balance. The portion of fund balance which is available is roughly 41.1% of the total governmental expenditures for the year.

#### Long-term Debt:

The state's total long-term debt obligations showed a net increase of \$175.5 million (10.3%) in governmental type activities and a net increase of \$284.8 million (23.7%) in business type activities during the current fiscal year.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the State of Oklahoma's Basic Financial Statements. The state's basic financial statements include three components: 1) Government-Wide Financial Statements, 2) Fund Financial Statements, and 3) Notes to the Financial Statements. This report also contains additional Required Supplementary Information (budgetary, pension and other postemployment benefit schedules) and Other Supplementary Information (Combining Financial Statements) in addition to the basic financial statements themselves. These components are described below:

#### Basic Financial Statements

The basic financial statements include two kinds of financial statements that present different views of the state – the Government-Wide Financial Statements and the Fund Financial Statements and Combining Major Component Unit Financial Statements. These financial statements also include the Notes to the Financial Statements that explain some of the information in the financial statements and provide more detail.

#### *Government-Wide Financial Statements*

The Government-Wide Financial Statements provide a broad view of the state's operations in a manner like a private-sector business. The statements provide both short-term and long-term information about the state's financial position, which assists in assessing the state's economic condition at the end of the fiscal year. These are prepared using the flow of

economic resources measurement focus and the accrual basis of accounting. This means they follow methods that are like those used by most businesses. They consider all revenues and expenses connected with the fiscal year even if cash involved has not been received or paid. The Government-Wide Financial Statements include two statements:

The Statement of Net Position presents all the government's assets and liabilities in addition to deferred inflows and outflows, with the difference between the four reported as "net position." Over time, increases or decreases in the state's net position may serve as a useful indicator of whether the financial position of the state is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future fiscal periods (such as uncollected taxes and earned but unused vacation leave). This statement also presents a comparison between direct expenses and program revenues for each function of the state.

Both above financial statements have separate sections for three different types of state programs or activities. These three types of activities are:

*Governmental Activities* – The activities in this section are mostly supported by taxes and intergovernmental revenues (federal grants). Most services normally associated with state government fall into this category, including education (support for both common public schools and higher education), government administration, health services, legal and judiciary services, museums, natural resources, public safety and defense, regulatory services, social services, and transportation.

*Business-Type Activities* – These functions normally are intended to recover all or a significant portion of their costs through user fees and charges to external users of goods and services. These business-type activities of the state include the operations of the Oklahoma Unemployment Insurance Trust Fund (by the Oklahoma Employment Security Commission), the state's program for making loans to local government units for the acquisition, development, and utilization of storage and control facilities for water and sewage systems (by the Oklahoma Water Resources Board), administering the insurance benefits for state employees and education workers (by the Employees Group Insurance Division of the Office of Management and Enterprise Services), and the Oklahoma Lottery Commission. These four programs operate with minimal assistance from the governmental activities of the state.

*Discretely Presented Component Units* – These are operations that have certain independent qualities but for which the state has financial accountability. For the most part, these entities operate like private-sector businesses and the business-type activities described above. The state's discretely presented component units are presented in two categories, major and nonmajor. This separation is determined by the relative size of the entities' assets, liabilities, revenues and expenses in relation to the total of all component units.

The state's six discretely presented major component units are:

- Oklahoma Student Loan Authority
- Oklahoma Housing Finance Agency
- Oklahoma Turnpike Authority
- Grand River Dam Authority
- Oklahoma Municipal Power Authority
- Higher Education Component Unit

The state's seven other (or nonmajor) component units are combined into a single column for reporting in the Fund Financial Statements. These nonmajor component units are:

- Oklahoma Educational Television Authority
- Oklahoma Industrial Finance Authority
- Multiple Injury Trust Fund
- University Hospitals Authority
- Oklahoma Development Finance Authority
- Oklahoma Capital Investment Board
- Oklahoma State University Medical Authority

Complete financial statements of the individual component units can be obtained from their respective administrative offices. Addresses and other additional information about the state's component units are presented in the Notes to the Financial Statements.

The Government-Wide Financial Statements can be found immediately following this discussion and analysis.

### ***Fund Financial Statements and Major Component Unit Financial Statements***

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The state, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The Fund Financial Statements focus on individual parts of the state government, reporting the state's operations in more detail than the Government-Wide Financial Statements. All the funds of the state can be divided into three categories. It is important to note that these fund categories use different accounting approaches and should be interpreted differently. The three categories of funds are:

*Governmental Funds Financial Statements* – Most of the basic services provided by the state are financed through governmental funds. Governmental funds are essentially used to account for the same functions as governmental activities in the Government-Wide Financial Statements. However, unlike the Government-Wide Financial Statements, the Governmental Fund Financial Statements focus on near-term inflows and outflows of spendable resources. They also focus on the balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the government's near-term financing requirements. This is known as using the flow of current financial resources measurement focus approach and the modified accrual basis of accounting. These statements provide a detailed short-term view of the state's finances that assist in determining whether there will be adequate financial resources available to meet the current needs of the state.

Because the focus of governmental funds is narrower than that of the Government-Wide Financial Statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the Government-Wide Financial Statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances both provide a reconciliation to facilitate this comparison between governmental funds and the governmental activities. These reconciliations are presented on the page immediately following each Governmental Fund Financial Statement.

The state has four governmental funds. All four governmental funds are considered major funds for financial reporting purposes. These four major funds are – the General Fund, the Commissioners of the Land Office Permanent Fund, the Department of Wildlife Conservation Permanent Fund, and the Tobacco Settlement Endowment Permanent Fund. Each major fund is presented in a separate column in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances.

The basic Governmental Funds Financial Statements can be found immediately following the Government-Wide Financial Statements.

*Proprietary Funds Financial Statements* – These funds are used to show activities that operate more like those of commercial enterprises. Because these funds charge fees for services provided to outside customers including local governments, they are known as enterprise funds. Proprietary funds provide the same type of information as the Government-Wide Financial Statements, only in more detail. Like the Government-Wide Financial Statements, Proprietary Fund Financial Statements use the accrual basis of accounting. There is no reconciliation needed between the Government-Wide Financial Statements for business-type activities and the Proprietary Fund Financial Statements.

The state has four enterprise funds, with all four being considered major proprietary funds for presentation purposes. As previously mentioned, they are the operations of the Oklahoma Unemployment Insurance Trust Fund (by the Oklahoma Employment Security Commission), the state's program for making loans to local government units for the acquisition, development, and utilization of storage and control facilities for water and sewage systems (by the Oklahoma Water Resources Board), the administration of insurance benefits for state employees (by the Employees Group Insurance Division (EGID) of the Office of Management and Enterprise Services), and the Oklahoma Lottery Commission.



The basic Proprietary Funds Financial Statements can be found immediately following the Governmental Fund Financial Statements.

*Fiduciary Funds and Similar Component Unit Financial Statements* – These funds are used to account for resources held for the benefit of parties outside the state government. Fiduciary funds are not reflected in the Government-Wide Financial Statements because the resources of these funds are not available to support the state’s own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. They use the accrual basis of accounting.

The state’s fiduciary funds are the Pension Trust Funds, seven separate retirement plans for employees, and the agency funds, which account for the assets held for distribution by the state as an agent for other governmental units, other organizations or individuals. Individual fund detail can be found in the Combining Financial Statements described below.

The basic Fiduciary Funds and Similar Component Units’ Financial Statements can be found immediately following the Proprietary Fund Financial Statements.

*Component Unit Financial Statements* – As mentioned above, these are operations for which the state has financial accountability, but they have certain independent qualities as well, and they operate similar to private-sector businesses. The Government-Wide Financial Statements present information for the component units in a single column of the Statement of Net Position. Also, some information on the Statement of Activities is aggregated for component units. The Combining Statement of Net Position and Combining Statement of Activities provide detail for each major component unit and the nonmajor component units in aggregate. Individual nonmajor component unit detail can be found in the Combining Financial Statements described below.

The basic Combining Financial Statements for major component units can be found immediately following the Fiduciary Fund and Similar Component Unit’s Financial Statements.

### **Notes to the Financial Statements**

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the Government-Wide and the Fund Financial Statements. The Notes to the Financial Statements can be found immediately following Component Unit Financial Statements.

### **Required Supplementary Information**

The basic financial statements are followed by a section of Required Supplementary Information. This section includes the Budgetary Comparison Schedule – Budget to Actual (Non-GAAP Budgetary Basis), which includes a schedule of reconciliation between the statutory fund balance for budgetary purposes and the fund balance for the General Fund as presented in the Governmental Fund Financial Statements. In addition, schedules required by GASB Statement number 68 (pension) and GASB Statement number 75 (other postemployment benefits) are presented.

#### ***Budgetary Detail***

The Schedule of Expenditures and Intra-Agency Transfers – Detail Budget to Actual Comparison is presented in this section. It provides detail comparisons of expenditures and intra-agency transfers at the legal level of control. Comparisons can be made between the original budget, final budget, and actual.

#### ***Pension Detail***

With the implementation of GASB Statement number 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement number 27*, certain information related to Net Pension Liability and funding of pension plans is reported in the Required Supplementary Information section.

#### ***Other Postemployment Benefits Detail***

With the implementation of GASB Statement number 75, *Accounting and Financial Reporting for Other Postemployment Benefits (OPEB)*, certain information related to Net OPEB Liability and funding of OPEB plans is reported in the Required Supplementary Information section.

## Combining Financial Statements

The Combining Financial Statements referred to earlier in connection with fiduciary funds and nonmajor component units are presented following the Required Supplementary Information. The total of the columns of these Combining Financial Statements carry to the applicable fund financial statement.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

### Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial condition. The state's combined net position (government and business-type activities) totaled \$28.4 billion at the end of 2022 compared to \$24.7 billion at the end of the previous year.

The largest portion of the state's net position (43.4%) reflects its investment in capital assets such as land, buildings, equipment, and infrastructure (road, bridges, and other immovable assets), less any related outstanding debt used to acquire those assets. The state uses these capital assets to provide services to citizens; consequentially, these assets are not available for future spending. Although the state's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
	Current Assets	\$ 15,403,336	\$ 10,498,482	\$ 1,629,665	\$ 1,528,596	\$ 17,033,001
Capital Assets	13,780,701	13,259,261	2,334	709	13,783,035	13,259,970
Other Assets	5,827,196	5,030,129	2,023,918	1,703,193	7,851,114	6,733,322
Total Assets	\$ 35,011,233	\$ 28,787,872	\$ 3,655,917	\$ 3,232,498	\$ 38,667,150	\$ 32,020,370
Deferred Outflows	\$ 393,064	\$ 713,617	\$ 951	\$ 2,468	\$ 394,015	\$ 716,085
Noncurrent Liabilities	\$ 2,133,490	\$ 2,773,530	\$ 1,426,719	\$ 1,148,779	\$ 3,560,209	\$ 3,922,309
Other Liabilities	5,213,340	3,669,770	366,493	358,689	5,579,833	4,028,459
Total Liabilities	\$ 7,346,830	\$ 6,443,300	\$ 1,793,212	\$ 1,507,468	\$ 9,140,042	\$ 7,950,768
Deferred Inflows	\$ 1,533,624	\$ 68,564	\$ 25,421	\$ 21,369	\$ 1,559,045	\$ 89,933
Net Investment						
in Capital Assets	\$ 12,301,625	\$ 12,114,813	\$ 2,334	\$ 709	\$ 12,303,959	\$ 12,115,522
Restricted	6,170,812	5,780,723	1,086,882	930,162	7,257,694	6,710,885
Unrestricted	8,051,406	5,094,089	749,019	775,258	8,800,425	5,869,347
Total Net Position	\$ 26,523,843	\$ 22,989,625	\$ 1,838,235	\$ 1,706,129	\$ 28,362,078	\$ 24,695,754

A portion of the state's net position (25.6%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the state's ongoing obligations to citizens and creditors. Internally imposed designations of resources are not presented as restricted net position.

At the end of the current fiscal year, the state can report positive balances in all three categories of net position, both for the whole government, and for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

## Changes in Net Position

The state's governmental net position increased by \$3.7 billion, or 14.8%. Approximately 47.3% of the state's total revenue came from taxes, while 45.6% resulted from grants and contributions including federal aid. Charges for various goods, services and investments provided 7.1% of the total revenues. The state's expenses cover a range of services. The largest expenses were for health services, general education, government administration and social services. In 2022, governmental activity expenses exceeded program revenues, resulting in the use of \$10.1 billion in general revenues, mostly taxes. The business-type activities' program revenues exceeded their expenses for 2022 by \$211.6 million.

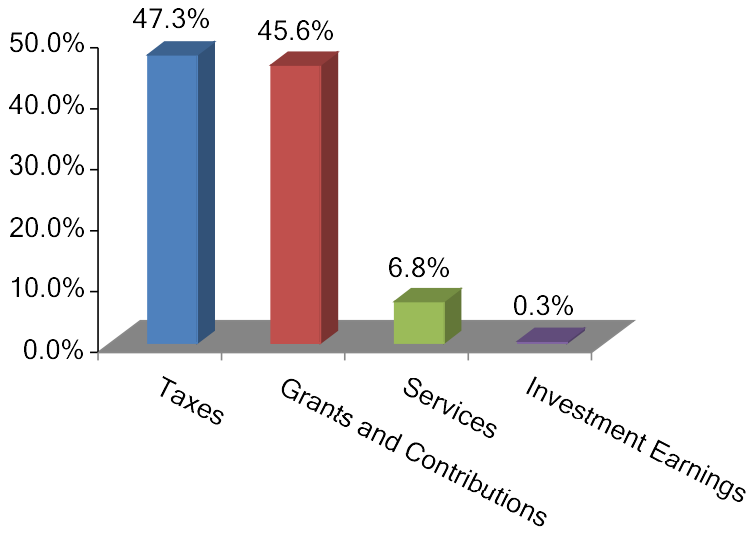
### State of Oklahoma's Changes in Net Position-Primary Government

(expressed in thousands)

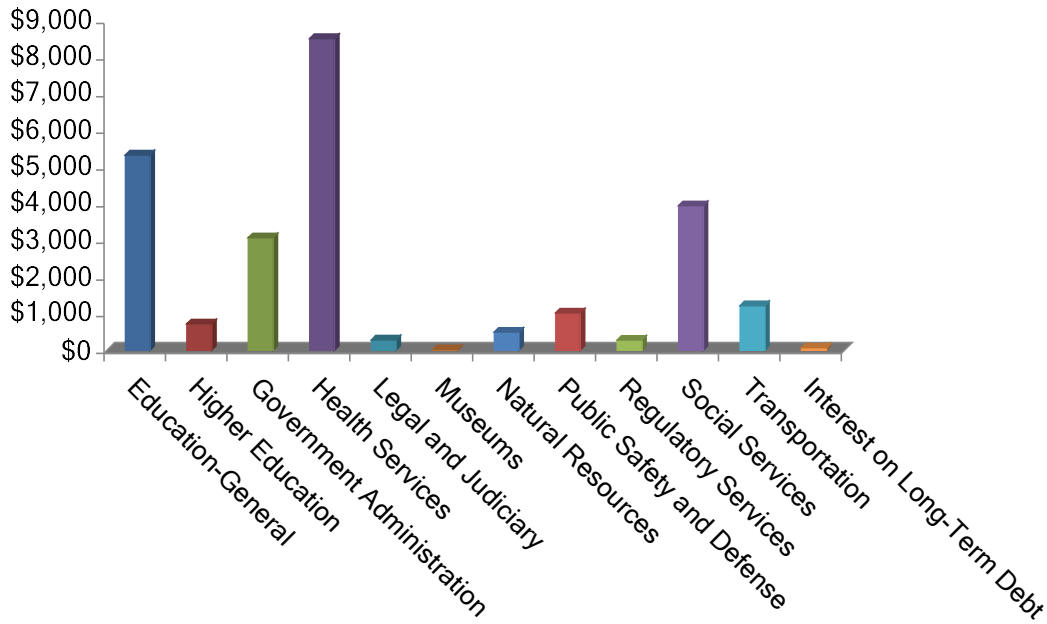
	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
<b>Revenues:</b>						
Program Revenues:						
Charges for Services	\$ 1,918,474	\$ 1,964,035	\$ 1,900,866	\$ 2,038,075	\$ 3,819,340	\$ 4,002,110
Operating Grants and Contributions	12,910,191	11,545,489	219,274	2,857,814	13,129,465	14,403,303
General Revenues:						
Income Taxes-Individual	4,246,765	3,587,101	-	-	4,246,765	3,587,101
Income Taxes-Corporate	901,730	461,357	-	-	901,730	461,357
Sales Taxes	3,550,893	3,179,363	-	-	3,550,893	3,179,363
Gross Production Taxes	1,738,561	865,151	-	-	1,738,561	865,151
Motor Vehicle Taxes	963,073	885,724	-	-	963,073	885,724
Fuel Taxes	569,442	504,042	-	-	569,442	504,042
Other Taxes	1,430,346	1,317,409	-	-	1,430,346	1,317,409
Investment Earnings	78,703	53,838	-	-	78,703	53,838
<b>Total Revenues</b>	<b>\$28,308,178</b>	<b>\$24,363,509</b>	<b>\$2,120,140</b>	<b>\$ 4,895,889</b>	<b>\$ 30,428,318</b>	<b>\$ 29,259,398</b>
<b>Expenses:</b>						
Education-General	\$ 5,326,122	\$ 4,492,416	\$ -	\$ -	\$ 5,326,122	\$ 4,492,416
Education-Payments to Higher Education	719,059	788,514	-	-	719,059	788,514
Government Administration	3,066,033	3,346,732	-	-	3,066,033	3,346,732
Health Services	8,505,243	6,815,822	-	-	8,505,243	6,815,822
Legal and Judiciary	279,600	279,036	-	-	279,600	279,036
Museums	14,773	14,757	-	-	14,773	14,757
Natural Resources	494,801	534,801	-	-	494,801	534,801
Public Safety and Defense	1,014,118	986,234	-	-	1,014,118	986,234
Regulatory Services	276,209	289,979	-	-	276,209	289,979
Social Services	3,940,643	3,275,295	-	-	3,940,643	3,275,295
Transportation	1,214,083	1,219,128	-	-	1,214,083	1,219,128
Interest on Long-Term Debt	63,984	60,531	-	-	63,984	60,531
Unemployment Insurance Trust Fund	-	-	446,339	4,048,298	446,339	4,048,298
State Loan Program to Local Governments	-	-	45,838	40,730	45,838	40,730
Group Insurance Program	-	-	1,144,627	1,043,144	1,144,627	1,043,144
Lottery Commission	-	-	271,734	268,492	271,734	268,492
<b>Total Expenses</b>	<b>\$24,914,668</b>	<b>\$22,103,245</b>	<b>\$1,908,538</b>	<b>\$ 5,400,664</b>	<b>\$ 26,823,206</b>	<b>\$ 27,503,909</b>
Increase (Decrease) in Net Position Before Transfers and Contribution to Permanent Funds	\$ 3,393,510	\$ 2,260,264	\$ 211,602	\$ (504,775)	\$ 3,605,112	\$ 1,755,489
Contribution to Permanent Funds	61,212	61,349	-	-	61,212	61,349
Transfers	79,496	78,272	(79,496)	(78,272)	-	-
<b>Change in Net Position</b>	<b>\$ 3,534,218</b>	<b>\$ 2,399,885</b>	<b>\$ 132,106</b>	<b>\$ (583,047)</b>	<b>\$ 3,666,324</b>	<b>\$ 1,816,838</b>
Net Position, Beginning of Year	22,992,341	20,589,740	1,706,129	2,289,176	24,698,470	22,878,916
Adjustments to Beginning Net Position	(2,716)	-	-	-	(2,716)	-
<b>Net Position, End of Year</b>	<b>\$26,523,843</b>	<b>\$22,989,625</b>	<b>\$1,838,235</b>	<b>\$ 1,706,129</b>	<b>\$ 28,362,078</b>	<b>\$ 24,695,754</b>



**Revenues – Governmental Activities  
Fiscal Year 2022**



**Expenses – Governmental Activities  
Fiscal Year 2022  
*(expressed in thousands)***



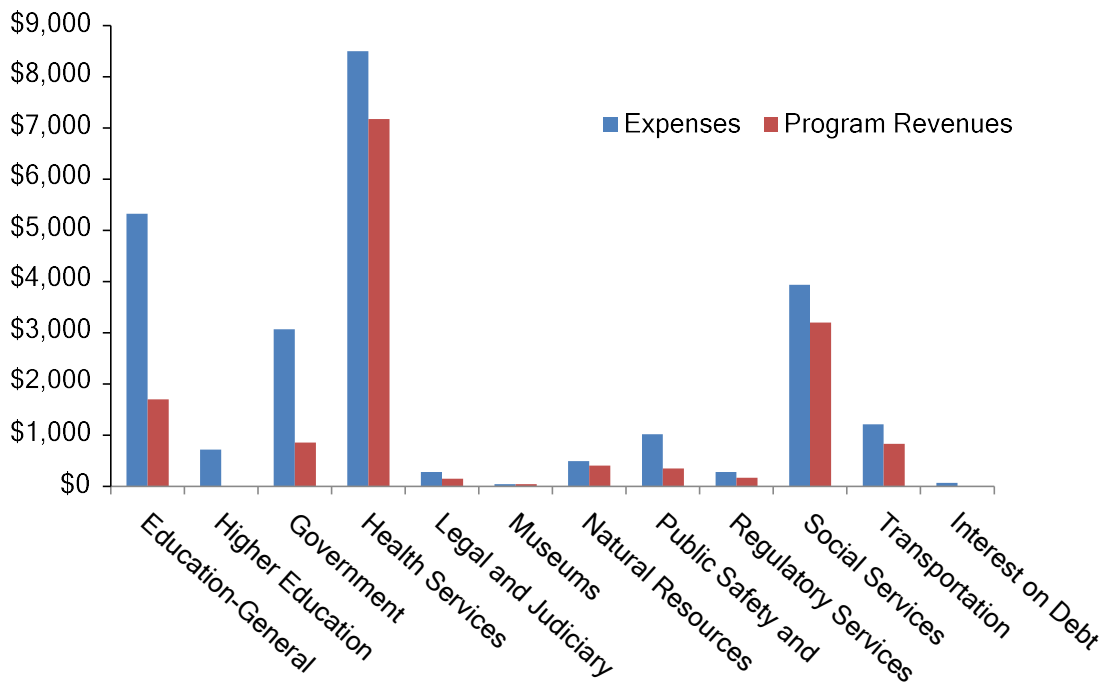
**Governmental Activities**

Governmental activities increased the state's net position by \$3.5 billion. Tax revenues were up in all five major types. Total revenues for governmental activities were up by \$3.9 billion, or 16.2%, in 2022. The state showed a \$659.7 million increase in individual income taxes, a \$371.5 million increase in sales taxes, a \$77.3 million increase in motor vehicle taxes, a \$440.4 million increase in corporate income taxes, and a \$873.4 million increase in gross production taxes during 2022. Additionally, there was a \$1.4 billion increase in federal grant revenue.

A comparison of the cost of services by function for the state’s governmental activities is shown below, along with the revenues used to cover the net expenses of the governmental activities (expressed in thousands):

	<u>Governmental Activities</u>
<b>Expenses Net of Program Revenues:</b>	
Education-General	\$ (3,629,756)
Education-Payment to Higher Education	(719,059)
Government Administration	(2,209,409)
Health Services	(1,326,179)
Legal and Judiciary	(133,542)
Museums	(11,031)
Natural Resources	(92,936)
Public Safety and Defense	(668,346)
Regulatory Services	(107,134)
Social Services	(739,310)
Transportation	(385,317)
Interest on Long-Term Debt	(63,984)
<b>Total Governmental Activities Expenses</b>	<b>\$ (10,086,003)</b>
<b>General Revenues:</b>	
Taxes	\$ 13,400,810
Investment Earnings	78,703
Contributions to Permanent Funds	61,212
Transfers	79,496
<b>Total General Revenues</b>	<b>\$ 13,620,221</b>
<b>Increase in Governmental Activities Net Position</b>	<b>\$ 3,534,218</b>

**Expenses and Program Revenues – Governmental Activities**  
**Fiscal Year 2022**  
*(expressed in thousands)*



## **Business-Type Activities**

The business-type activities increased the state's net position by \$132.1 million, a 7.7% increase, to \$1.8 billion. This increase follows a decrease of 25.5% in the prior year. The increase primarily resulted from a decrease in benefit payments, and claims submitted to the Oklahoma Unemployment Insurance Trust Fund (OUIF). The OUIF net position increased by \$147.0 million, the Oklahoma Water Resources Board's (OWRB) net position increased by \$23.9 million, Employees Group Insurance Division (EGID) of Office of Management and Enterprise Services decreased by \$38.8 million, and the Oklahoma Lottery Commission had a decrease in net position of \$8.0 thousand.

## **FINANCIAL ANALYSIS OF THE STATE'S INDIVIDUAL FUNDS**

As noted earlier, the state uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### **Governmental Funds**

The focus of the state's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the state's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of fiscal year 2022, the state's governmental funds reported combined ending fund balances of \$14.7 billion, an increase of \$3.1 billion from the prior year. The largest portion, \$4.1 billion (27.8%), of this total amount constitutes nonspendable fund balance, which includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Additionally, \$1.6 billion (11.1%) of fund balance is classified as restricted, meaning that the funds can only be used for specific purposes defined by enabling legislation or externally imposed limitations. Amounts that can only be used for specific purposes pursuant to constraints of the government's highest level of decision-making authority are reported as committed fund balance. Committed fund balance represents \$8.5 billion (58.2%) of total fund balance. Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted, nor committed, are reported as assigned fund balance. Assigned fund balance represents \$155.3 million (1.1%) of total fund balance. The remaining funds that are not classified in any of the other four categories represent unassigned fund balance. For the fiscal year ended June 30, 2022, the state has \$262.8 million classified as unassigned fund balance.

The General Fund is the chief operating fund of the state. At the end of the current fiscal year, the total fund balance increased \$3.5 billion to \$10.4 billion. This 49.9% increase is primarily related to improved tax collections and increases in operating grant revenue.

As a measure of the Governmental Funds' liquidity, it may be useful to compare the portion of fund balance not classified as nonspendable (spendable) and total fund balance to total fund expenditures. Spendable fund balance represents 41.1% of total Governmental Fund expenditures, while total fund balance represents 56.9% of that same amount.

The Commissioners of the Land Office manages land and cash set aside by the federal government for the use and benefit of public education in Oklahoma to generate maximum earnings for trust beneficiaries. The trust beneficiaries are common education and thirteen Oklahoma colleges and universities. Including losses in fair value of investments of \$302.3 million, program revenues reported a deficit of \$94.5 million. In the prior year, the fund reported \$588.9 million in program revenues. Distributions to beneficiaries totaled \$125.2 million for fiscal year 2022 with \$31.0 million disbursed to universities and colleges, \$91.6 million disbursed to public schools, and \$2.6 million disbursed for public buildings. This was an increase of \$6.9 million from fiscal year 2021 apportionments of \$118.3 million.

The Department of Wildlife's Lifetime Licenses' fund balance increased by 3.4% to \$99.8 million. This increase occurred due to collections for licenses.

The Tobacco Settlement Endowment Permanent Fund holds certain monies that are received in settlement of claims by the state against tobacco manufacturers. Earnings from these monies are utilized for research, education, prevention and treatment of tobacco related diseases and certain other health programs. This fund reported \$110.0 million net decrease in fund balance primarily due to a net decrease in the fair value of investments. Settlement payments of \$57.2 million were

received from tobacco manufacturers during 2022. The prior year's payment was about \$55.7 million. The state now has \$1.6 billion in this permanent fund.

### **Proprietary Funds**

The state's Proprietary Fund Financial Statements provide the same type of information found in the Government-Wide Financial Statements for business-type activities. This information is presented on the same basis of accounting but provides more detail.

As discussed in the business-type activities section above, the state's net position increased by \$132.1 million as a result of operations in the proprietary funds. This resulted from a \$147.0 million increase in net position by OUITF, an increase in net position of \$23.9 million by OWRB's program for making loans to local government units for drinking and wastewater facilities, a decrease of \$38.8 million by EGID for insurance benefit administration, and a decrease in net position of \$8.0 thousand by the Oklahoma Lottery Commission.

OUITF increased in net position primarily as a result of a decrease in benefit payments and claims after multiple years of extraordinarily high claims due to the COVID-19 pandemic.

OWRB increased net position by \$23.9 million. This was primarily due to increase in federal, interest and investment revenue.

EGID decreased net position by \$38.8 million after a \$90.1 million increase during the prior year. The largest change was a decrease in premium revenue due to a decrease in membership.

Oklahoma Lottery Department decreased net position by \$8,000. The decrease was primarily attributable to the unclaimed prizes collected for fiscal year 2021 being less than the amount used for prize enhancements and payments to Oklahoma Department of Mental Health and Substance Abuse Services.

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

The differences between the original budget and the final amended budget amounted to \$254.9 million with \$146.1 million coming from budget carried over from prior years. To reimburse school districts for ad valorem tax shortfalls related to state property, the Department of Education was transferred \$95.2 million.

The difference between the final budget and the actual expenditures amounted to \$434.3 million less than the budget. This variance was caused by timing differences between assignment and disbursement of budget amendments.

### **CAPITAL ASSET AND DEBT ADMINISTRATION**

#### **Capital Assets**

The state's investment in capital assets for its governmental and business-type activities as of June 30, 2022, amounts to \$28.2 billion, less accumulated depreciation of \$14.5 billion, leaving a net book value of \$13.8 billion. This investment in capital assets includes land, buildings, improvements, equipment, infrastructure, and construction in progress. Infrastructure assets are items that are normally immovable and of value only to the state, such as roads, bridges, streets and sidewalks, drainage systems, lighting systems, and similar items.

The total increase in the state's investment in capital assets for the current fiscal year was about 3.0% in terms of net book value. Actual expenditures to purchase or construct assets that are capitalized were \$1.1 billion for the year, a \$17.1 million (1.5%) decrease from the prior year. Most of this amount was used to construct or reconstruct roads and bridges. Net depreciation charges for the year totaled \$666.6 million. Additional information on the state's capital assets can be found in Note 5 of the Notes to the Financial Statements of this report.

## **Debt Administration**

The authority of the state to incur debt is described in Article X, Section 25, of the Oklahoma Constitution. In 1987, the state created the Council of Bond Oversight. The Council meets to review all proposed debt issuances. The Council must approve each financing plan before obligations are issued. The legislation that created the Council of Bond Oversight also created the position of State Bond Advisor, who advises the Council and must approve the pricing and fees associated with any debt issuance. The State Bond Advisor is currently designated as the Deputy Treasurer for Debt Management.

The State of Oklahoma's long-term debt increased by \$175.5 million, or 10.3%, during the current fiscal year. Business-type activities' debt increased by \$284.8 million or 23.7%.

Additional information on the state's long-term debt obligations can be found in Notes 9, 10, and 11 of the Notes to the Financial Statements of this report.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The Oklahoma unemployment rate was consistently lower than that of the nation between 1997 and 2022. The national unemployment rate as of May 2023 was 3.7% while Oklahoma's was at 2.8% for the same time period.

Inflationary trends in the region are similar to national indices.

These factors are considered by legislative leaders and management in preparing the state's budget for future years. (See below.)

## **Budget and Revenue Collections**

The State Constitution requires adoption of a balanced budget. The revenue certification provided by the State Board of Equalization is the basis for development of the state's General Revenue Fund (GRF) budget. The GRF is a budgetary cash account included in the state's General Fund.

If new laws or changes in existing laws are passed that affect revenues, the State Board of Equalization meets to certify the effects of these changes on the official estimate. Appropriations in any fiscal year may not exceed 95.0% of the official revenue estimate (plus any cash funds on-hand and available for appropriation).

If collections to a certified cash account are insufficient to cover the appropriations from that account, the Constitution requires that appropriations be reduced proportionately to all agencies receiving an appropriation from that source. OMES has the statutory duty to monitor revenue collections and, if warranted, to make reductions in appropriations to prevent deficit spending.

The Legislature may, in regular or special session, make selective reductions in spending or consider revenue increases.

## **Fiscal Year 2023**

General revenue collections have outpaced estimates over the first eleven months of the fiscal year. At the end of May 2023, fiscal year 2023 collections were \$1.25 billion above the estimate, and \$535.2 million above prior year collections for the same period.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the State of Oklahoma's finances for all of Oklahoma's citizens, taxpayers, customers, and investors and creditors. This financial report seeks to demonstrate the state's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: State of Oklahoma, Office of Management and Enterprise Services, 2401 N. Lincoln Blvd., Suite 212, Oklahoma City, OK 73105 or [servicedesk@omes.ok.gov](mailto:servicedesk@omes.ok.gov).

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Visitors to the Capitol can now use the entrance on the southeast corner to the ground floor where they are greeted with historical displays, a museum and the Capitol store. The ground floor also has a newly installed bronze State Seal, new public art and a scale replica of the Guardian statue that also stands on top of the building's dome.









Above: The entrance to the Capitol Museum on the ground floor has the stained glass ceiling that was replaced when the Capitol dome was installed.



Left: Multimedia exhibits and historical artifacts are on display.

Left: Lt. Governor Matt Pinnell cuts the ribbon at the museum's opening in March 2022.





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State of Oklahoma  
Government-Wide Statement of Net Position  
June 30, 2022  
(expressed in thousands)

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>Assets</b>				
<b>Current Assets</b>				
Cash/Cash Equivalents	\$ 11,618,292	\$ 909,803	\$ 12,528,095	\$ 2,373,997
Investments	68,280	329,343	397,623	1,508,977
Securities Lending Investments	1,103,705	-	1,103,705	-
Accounts Receivable	139,152	128,333	267,485	754,060
Interest and Investment Revenue Receivable	32,726	16,056	48,782	17,573
Federal Grants Receivable	1,118,352	596	1,118,948	19,716
Taxes Receivable	1,133,372	98,797	1,232,169	-
Leases Receivable	20,264	-	20,264	-
Leases Receivable - Component Units	27,570	-	27,570	-
Notes Receivable	-	97,641	97,641	29,507
Other Receivables	42,102	3	42,105	41,355
Internal Balances	24	(24)	-	4
Receivable from External Parties	68	-	68	-
Due from Component Units	3,263	6	3,269	29,091
Due from Primary Government	-	-	-	164,287
Inventory	88,470	-	88,470	85,878
Prepaid Items	1,564	-	1,564	25,319
Other Current Assets	6,132	49,111	55,243	79,431
<b>Total Current Assets</b>	<b>\$ 15,403,336</b>	<b>\$ 1,629,665</b>	<b>\$ 17,033,001</b>	<b>\$ 5,129,195</b>
<b>Noncurrent Assets</b>				
Cash/Cash Equivalents, Restricted	\$ 117,329	\$ 88,697	\$ 206,026	\$ 891,908
Short Term Investments, Restricted	4,099,688	-	4,099,688	3,389,492
Long Term Investments	-	3,068	3,068	1,801,310
Long Term Investments, Restricted	-	43,824	43,824	-
Leases Receivable	81,885	-	81,885	-
Leases Receivables - Component Units	254,334	-	254,334	5,965
Long Term Notes Receivable, Net	-	1,878,105	1,878,105	139,990
Long Term Notes Receivable, Restricted	-	-	-	6,360
Net Pension Asset	1,082,452	5,065	1,087,517	49,251
Net Other Postemployment Benefit Asset	104,046	376	104,422	29,489
Long Term Due from Comp Units	54,202	-	54,202	-
Capital Assets - Depreciable, Net	11,350,279	2,334	11,352,613	8,643,572
Capital Assets - Land	2,067,759	-	2,067,759	577,243
Capital Assets - Construction in Progress	362,663	-	362,663	1,162,344
Other Noncurrent Assets	96	4,783	4,879	482,480
Other Noncurrent Assets - Restricted	33,164	-	33,164	36
<b>Total Noncurrent Assets</b>	<b>\$ 19,607,897</b>	<b>\$ 2,026,252</b>	<b>\$ 21,634,149</b>	<b>\$ 17,179,440</b>
<b>Total Assets</b>	<b>\$ 35,011,233</b>	<b>\$ 3,655,917</b>	<b>\$ 38,667,150</b>	<b>\$ 22,308,635</b>
<b>Deferred Outflows</b>				
Deferred Outflows from Pensions	\$ 347,295	\$ 855	\$ 348,150	\$ 388,371
Deferred Outflows from OPEB	45,769	96	45,865	68,045
Lease Restructuring	-	-	-	22,765
Advance Refunding of Bonds	-	-	-	126,069
Defeasance of Bonds	-	-	-	275
Accumulated Decrease in Fair Value of Derivatives	-	-	-	1,324
Deferred Outflows from Asset Retirement Obligations	-	-	-	305
<b>Total Deferred Outflows</b>	<b>\$ 393,064</b>	<b>\$ 951</b>	<b>\$ 394,015</b>	<b>\$ 607,154</b>

The Notes to the Financial Statements are an integral part of this statement

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Accounts Payable and Accrued Liabilities	\$ 1,771,270	\$ 125,854	\$ 1,897,124	\$ 506,141
Unearned Revenue	369,182	-	369,182	185,709
Payable Under Securities Lending Agreements	1,103,705	-	1,103,705	-
Claims and Judgements	23,299	110,510	133,809	52,282
Interest Payable	31,659	12,319	43,978	74,194
Compensated Absences	98,705	335	99,040	76,837
Tax Refunds Payable	401,145	-	401,145	-
Due to Others	261,809	-	261,809	-
Revenue Bonds, net	132,848	70,950	203,798	207,847
Payable to External Parties	98,684	2,101	100,785	717
Due to Component Units	164,822	4	164,826	29,091
Due to Primary Government	-	-	-	3,269
Right to Use Leases	45,898	-	45,898	60,907
Right to Use Leases - Primary Government	-	-	-	27,570
Notes Payable	3,954	-	3,954	5,466
Other Current Liabilities	706,360	44,420	750,780	601,354
<b>Total Current Liabilities</b>	<b>\$ 5,213,340</b>	<b>\$ 366,493</b>	<b>\$ 5,579,833</b>	<b>\$ 1,831,384</b>
<b>Noncurrent Liabilities</b>				
Claims and Judgements	\$ 119,051	\$ -	\$ 119,051	\$ 409,934
Due to Primary Government	-	-	-	54,202
Right to Use Leases	46,352	-	46,352	701,129
Right to Use Leases-Primary Government	-	-	-	254,335
Compensated Absences	91,122	154	91,276	56,845
Net Pension Liability	75,425	-	75,425	1,120,797
Notes Payable	105,998	-	105,998	185,488
General Obligation Bonds	-	-	-	30,000
Revenue Bonds (including Premiums)	1,538,434	1,415,705	2,954,139	5,342,265
Net Other Postemployment Benefit Liability	157,108	486	157,594	331,159
Other Noncurrent Liabilities	-	10,374	10,374	75,245
<b>Total Noncurrent Liabilities</b>	<b>\$ 2,133,490</b>	<b>\$ 1,426,719</b>	<b>\$ 3,560,209</b>	<b>\$ 8,561,399</b>
<b>Total Liabilities</b>	<b>\$ 7,346,830</b>	<b>\$ 1,793,212</b>	<b>\$ 9,140,042</b>	<b>\$ 10,392,783</b>
<b>Deferred Inflows</b>				
Restructured Debt	\$ -	\$ 19,333	\$ 19,333	\$ 9,750
Deferred Lease Inflow	126,663	-	126,663	-
Service Concession Arrangements	-	-	-	82,280
Accumulated Increase in Fair Value	-	-	-	5,001
Deferred Inflows from Pensions	1,336,095	5,827	1,341,922	893,404
Deferred Inflows from OPEB	70,866	261	71,127	105,314
Deferred Regulation Inflows	-	-	-	126,788
<b>Total Deferred Inflows</b>	<b>\$ 1,533,624</b>	<b>\$ 25,421</b>	<b>\$ 1,559,045</b>	<b>\$ 1,222,537</b>
<b>Net Position</b>				
Net Investment in Capital Assets	\$ 12,301,625	\$ 2,334	\$ 12,303,959	\$ 4,517,006
Restricted for:				
Federal Programs	578,876	-	578,876	-
Debt Service	544,716	364,775	909,491	363,344
Lottery Benefits	-	13,510	13,510	-
Educational Systems	2,584,276	-	2,584,276	-
Stabilization	788,370	-	788,370	-
Preservation of Wildlife	99,789	-	99,789	-
Unemployment Benefits	-	708,597	708,597	-
Tobacco Cessation and Public Health				
Nonexpendable	1,306,413	-	1,306,413	1,188,968
Expendable	268,372	-	268,372	4,050,442
Unrestricted	8,051,406	749,019	8,800,425	1,180,709
<b>Total Net Position</b>	<b>\$ 26,523,843</b>	<b>\$ 1,838,235</b>	<b>\$ 28,362,078</b>	<b>\$ 11,300,469</b>

State of Oklahoma  
Government-Wide Statement of Activities  
For the Fiscal Year Ended June 30, 2022  
(expressed in thousands)

Functions	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position			Component Units
		Charges for Services	Operating Grants and Contributions	Primary Government		Total	
				Governmental Activities	Business-Type Activities		
<b>Primary Government</b>							
<b>Governmental Activities:</b>							
Education - General	\$ 5,326,122	\$ 86,443	\$ 1,609,923	\$ (3,629,756)		\$ (3,629,756)	
Education - Payment to Higher Education	719,059	-	-	(719,059)		(719,059)	
Government Administration	3,066,033	491,124	365,500	(2,209,409)		(2,209,409)	
Health Services	8,505,243	569,945	6,609,119	(1,326,179)		(1,326,179)	
Legal and Judiciary	279,600	84,500	61,558	(133,542)		(133,542)	
Museums	14,773	2,681	1,061	(11,031)		(11,031)	
Natural Resources	494,801	316,739	85,126	(92,936)		(92,936)	
Public Safety and Defense	1,014,118	118,189	227,583	(668,346)		(668,346)	
Regulatory Services	276,209	162,215	6,860	(107,134)		(107,134)	
Social Services	3,940,643	35,363	3,165,970	(739,310)		(739,310)	
Transportation	1,214,083	51,275	777,491	(385,317)		(385,317)	
Interest on Long Term Debt	63,984	-	-	(63,984)		(63,984)	
Total Governmental Activities	\$ 24,914,668	\$ 1,918,474	\$ 12,910,191	\$ (10,086,003)		\$ (10,086,003)	
<b>Business-Type Activities:</b>							
Employment Security Commission	\$ 446,339	\$ 378,769	\$ 214,607		\$ 147,037	\$ 147,037	
Office of Management and Enterprise Services	1,144,627	1,105,811	-		(38,816)	(38,816)	
Oklahoma Lottery Commission	271,734	351,063	-		79,329	79,329	
Water Resources Board	45,838	65,223	4,667		24,052	24,052	
Total Business-Type Activities	\$ 1,908,538	\$ 1,900,866	\$ 219,274		\$ 211,602	\$ 211,602	
Total Primary Government	\$ 26,823,206	\$ 3,819,340	\$ 13,129,465	\$ (10,086,003)	\$ 211,602	\$ (9,874,401)	
<b>Component Units:</b>							
Oklahoma Student Loan Authority	\$ 22,457	\$ 26,190	\$ -				\$ 3,733
Oklahoma Housing Finance Agency	168,438	30,079	149,719				11,360
Oklahoma Turnpike Authority	282,697	378,454	-				95,757
Grand River Dam Authority	521,485	590,241	-				68,756
Oklahoma Municipal Power Authority	194,983	195,248	-				265
Higher Education	5,030,033	2,380,970	2,115,480				(533,583)
Nonmajor Component Units	673,401	545,122	70,164				(58,115)
Total Component Units	\$ 6,893,494	\$ 4,146,304	\$ 2,335,363				\$ (411,827)
<b>General Revenues</b>							
Taxes:							
Income Taxes - Individual			\$ 4,246,765	\$ -	\$ 4,246,765	\$ -	
Sales Tax			3,550,893	-	3,550,893	-	
Gross Production Taxes			1,738,561	-	1,738,561	-	
Income Taxes - Corporate			901,730	-	901,730	-	
Motor Vehicle Taxes			963,073	-	963,073	-	
Fuel Taxes			569,442	-	569,442	-	
Tobacco Taxes			460,495	-	460,495	-	
Other Business Taxes			370,920	-	370,920	-	
Insurance Taxes			188,570	-	188,570	-	
Beverage Taxes			169,622	-	169,622	-	
Other Taxes			240,739	-	240,739	-	
Payments from Primary Government			-	-	-	-	870,151
Investment Earnings			78,703	-	78,703	-	
Contributions to Permanent Funds			61,212	-	61,212	-	
Transfers			79,496	(79,496)	-	-	
Total General Revenues and Transfers			\$ 13,620,221	\$ (79,496)	\$ 13,540,725	\$ -	\$ 870,151
Change in Net Position			\$ 3,534,218	\$ 132,106	\$ 3,666,324	\$ -	\$ 458,324
<b>Net Position - Beginning of Year (as restated)</b>			22,989,625	1,706,129	24,695,754		10,842,145
<b>Net Position - End of Year</b>			\$ 26,523,843	\$ 1,838,235	\$ 28,362,078		\$ 11,300,469

The Notes to the Financial Statements are an integral part of this statement.





The Oklahoma Arts Council commissioned new works that have been installed in the renovated Capitol.

Above: Lucas Simmons stands with a completed panel of his “Labor Omnia Vincit” in the ground floor rotunda.

Top left: “This Land is Your Land,” custom boots by Lisa Sorrel, are in the west hall of the ground floor.

Top right: “Kadohadacho” is a traditional Caddo pot by Chase Kahwinhut Earles near the visitors’ entrance.

Bottom: “Chief Wilma Mankiller” by Starr Hardridge is in the fifth floor north hallway.







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State of Oklahoma  
Balance Sheet – Governmental Funds  
Governmental Funds  
June 30, 2022  
(expressed in thousands)

	General	Permanent Funds			Total Governmental Funds
		Commissioners of the Land Office	Department of Wildlife Lifetime Licenses	Tobacco Settlement Endowment Trust	
<b>Assets</b>					
Assets					
Cash/Cash Equivalents	\$ 11,554,859	\$ 125,733	\$ 8,522	\$ 46,506	\$ 11,735,620
Investments	68,280	2,466,670	91,120	1,541,898	4,167,968
Security Lending Investments	920,873	-	-	182,832	1,103,705
Accounts Receivable	139,152	-	-	-	139,152
Interest and Investment Revenue Receivable	32,726	13,565	-	4,175	50,466
Federal Grants Receivable	1,118,352	-	-	-	1,118,352
Taxes Receivable	1,133,372	-	-	-	1,133,372
Leases Receivable	32,878	69,270	-	-	102,148
Leases Receivable - Component Units	281,904	-	-	-	281,904
Other Receivables	42,102	13,511	-	1,913	57,526
Due from Other Funds	146	1,745	140	-	2,031
Due from Fiduciary Funds	68	-	-	-	68
Due from Component Units	3,263	-	-	-	3,263
Due From Component Units - Noncurrent	54,202	-	-	-	54,202
Inventory	88,470	-	-	-	88,470
Prepaid Items	1,564	-	-	-	1,564
Other Assets	5,698	523	7	-	6,228
<b>Total Assets</b>	<b>\$ 15,477,909</b>	<b>\$ 2,691,017</b>	<b>\$ 99,789</b>	<b>\$ 1,777,324</b>	<b>\$ 20,046,039</b>
<b>Liabilities</b>					
Accounts Payable and Accrued Liabilities	\$ 1,741,632	\$ 12,594	\$ -	\$ 17,038	\$ 1,771,264
Unearned Revenue	1,075,258	284	-	-	1,075,542
Payable Under Securities Lending Agreements	920,873	-	-	182,832	1,103,705
Tax Refunds Payable	401,145	-	-	-	401,145
Due to Other Funds	1,885	-	-	122	2,007
Due to Fiduciary Funds	98,684	-	-	-	98,684
Due to Component Units	162,275	-	-	2,547	164,822
Due to Others	261,809	-	-	-	261,809
<b>Total Liabilities</b>	<b>\$ 4,663,561</b>	<b>\$ 12,878</b>	<b>\$ -</b>	<b>\$ 202,539</b>	<b>\$ 4,878,978</b>
<b>Deferred Inflows</b>					
Deferred Lease Inflows	\$ 32,800	\$ 93,863	\$ -	\$ -	\$ 126,663
Unavailable Revenue	368,105	-	-	-	368,105
<b>Total Deferred Inflows</b>	<b>\$ 400,905</b>	<b>\$ 93,863</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 494,768</b>
<b>Fund Balances</b>					
Nonspendable	\$ 90,058	\$ 2,584,276	\$ 99,789	\$ 1,306,413	\$ 4,080,536
Restricted	1,632,847	-	-	-	1,632,847
Committed	8,427,748	-	-	113,054	8,540,802
Assigned	-	-	-	155,318	155,318
Unassigned	262,790	-	-	-	262,790
<b>Total Fund Balances</b>	<b>\$ 10,413,443</b>	<b>\$ 2,584,276</b>	<b>\$ 99,789</b>	<b>\$ 1,574,785</b>	<b>\$ 14,672,293</b>

The Notes to the Financial Statements are an integral part of this statement.

## Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

**Total Fund Balance - Governmental Funds** \$ 14,672,293

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Land	\$ 2,067,759	
Buildings and Improvements	1,831,073	
Equipment	741,957	
Infrastructure	23,226,591	
Construction in Progress	362,663	
Accumulated Depreciation	<u>(14,449,342)</u>	13,780,701

Some of the state's revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are considered to be unearned.

368,105

The state's portion of pension accruals determined by the actuarial calculations of the pension systems created by statute:

Net Pension Asset	\$ 1,082,452	
Deferred Pension Plan Outflows	347,295	
Net Pension Liability	(75,425)	
Deferred Pension Plan Inflows	<u>(1,336,095)</u>	18,227

The state's portion of the net other postemployment benefit accruals as determined by the actuarial calculations of the pension systems created by statute:

Net Other Postemployment Benefit Asset	\$ 104,046	
Deferred Other Postemployment Benefit Outflows	45,769	
Net Other Postemployment Benefit Liability	(157,108)	
Deferred Other Postemployment Benefit Inflows	<u>(70,866)</u>	(78,159)

Timing differences caused by the component units with alternative year end dates resulted in differences in due to/from other funds.

(4)

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Notes Payable	\$ (109,952)	
Revenue Bonds	(1,542,434)	
Capital Leases and Certificates of Participation	(92,250)	
Bond Issue Premiums	(128,848)	
Accrued Interest on Bonds	(31,659)	
Compensated Absences	(189,827)	
Claims and Judgments	<u>(142,350)</u>	(2,237,320)

**Net Position of Governmental Activities** \$ 26,523,843

The Notes to the Financial Statements are an integral part of this statement.

State of Oklahoma  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds

For the Fiscal Year Ended June 30, 2022  
(expressed in thousands)

	Permanent Funds				Total Governmental Funds
	General	Commissioners of the Land Office	Department of Wildlife Lifetime Licenses	Tobacco Settlement Endowment	
<b>Revenues</b>					
Taxes					
Income Taxes - Individual	\$ 4,235,500	\$ -	\$ -	\$ -	\$ 4,235,500
Sales Tax	3,550,107	-	-	-	3,550,107
Gross Production Tax	1,736,288	-	-	-	1,736,288
Income Taxes - Corporate	902,865	-	-	-	902,865
Motor Vehicle Taxes	968,429	-	-	-	968,429
Fuel Taxes	569,442	-	-	-	569,442
Tobacco Taxes	460,625	-	-	-	460,625
Other Business Taxes	370,340	-	-	-	370,340
Insurance Taxes	188,471	-	-	-	188,471
Beverage Taxes	169,935	-	-	-	169,935
Other Taxes	240,725	-	-	-	240,725
Licenses, Permits and Fees	978,823	-	3,247	-	982,070
Interest and Investment Revenue	137,144	(102,279)	-	(110,786)	(75,921)
Federal Revenue	13,282,831	-	-	-	13,282,831
Sales and Services	223,266	-	-	-	223,266
Other Grants and Reimbursements	333,097	-	-	-	333,097
Fines and Penalties	68,045	-	-	-	68,045
Other	199,093	7,795	-	61,212	268,100
<b>Total Revenues</b>	<b>\$ 28,615,026</b>	<b>\$ (94,484)</b>	<b>\$ 3,247</b>	<b>\$ (49,574)</b>	<b>\$ 28,474,215</b>
<b>Expenditures</b>					
Education	\$ 5,908,767	\$ 139,154	\$ -	\$ -	\$ 6,047,921
Government Administration	3,130,056	-	-	60,369	3,190,425
Health Services	8,477,738	-	-	-	8,477,738
Legal and Judiciary	295,814	-	-	-	295,814
Museums	13,775	-	-	-	13,775
Natural Resources	463,591	-	-	-	463,591
Public Safety and Defense	970,175	-	-	-	970,175
Regulatory Services	277,123	-	-	-	277,123
Social Services	3,941,632	-	-	-	3,941,632
Transportation	417,180	-	-	-	417,180
Capital Outlay	1,489,367	-	-	10	1,489,377
Debt Service					
Principal Retirement	141,899	-	-	-	141,899
Interest	64,270	-	-	-	64,270
<b>Total Expenditures</b>	<b>\$ 25,591,387</b>	<b>\$ 139,154</b>	<b>\$ -</b>	<b>\$ 60,379</b>	<b>\$ 25,790,920</b>
Revenues in Excess of (Less Than) Expenditures	\$ 3,023,639	\$ (233,638)	\$ 3,247	\$ (109,953)	\$ 2,683,295
<b>Other Financing Sources (Uses)</b>					
Transfers In	\$ 93,307	\$ 150	\$ -	\$ -	\$ 93,457
Transfers Out	(2,675)	(11,286)	-	-	(13,961)
Bonds Issued	263,360	-	-	-	263,360
Capital Leases	10,702	-	-	-	10,702
Note Proceeds	56,802	-	-	-	56,802
Sale of Capital Assets	19,330	-	-	-	19,330
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 440,826</b>	<b>\$ (11,136)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 429,690</b>
Net Change in Fund Balances	\$ 3,464,465	\$ (244,774)	\$ 3,247	\$ (109,953)	\$ 3,112,985
<b>Fund Balances - Beginning of Year (as restated)</b>	<b>6,948,978</b>	<b>2,829,050</b>	<b>96,542</b>	<b>1,684,738</b>	<b>11,559,308</b>
<b>Fund Balances - End of Year</b>	<b>\$ 10,413,443</b>	<b>\$ 2,584,276</b>	<b>\$ 99,789</b>	<b>\$ 1,574,785</b>	<b>\$ 14,672,293</b>

The Notes to the Financial Statements are an integral part of this statement

**Reconciliation of the Governmental Funds Schedule of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities**

**Net Change in Fund Balances - Total Governmental Funds** \$ 3,112,985

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statements of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays (\$1,109,793) exceeded depreciation (\$706,284) in the current period. 403,509

In the statement of activities, only the gain on the sale of assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the asset sold. (7,778)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (103,394)

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount by which bond proceeds (\$263,360) and note proceeds (\$56,802) exceeded payments (\$97,738). (222,424)

The amount by which the actuarial calculated accruals from pension plans changed compared to the prior fiscal year:

Increase in net pension asset	\$ 1,065,095	
Decrease in deferred outflows from pension plans	(318,861)	
Decrease in net pension liability	911,930	
Increase in deferred inflows from pension plans	(1,322,874)	
		335,290

The amount by which the actuarial calculated accruals for other postemployment benefits changed compared to the prior fiscal year:

Increase in net other postemployment benefits asset	\$ 68,866	
Increase in deferred outflows from other postemployment benefits	(1,692)	
Decrease in net other postemployment benefits liability	(7,952)	
Decrease in deferred inflows from other postemployment benefits	(38,184)	
		21,038

For assets acquired as capital leases, the amount financed is reported in the governmental funds as a source of financing. However, capital leases are long-term liabilities in the statement of net position. This is the amount by which the payment of principal (\$44,161) exceeded the addition of new capital leases (\$10,702). 33,459

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

Accretion of bond premiums	\$ 13,462	
Decrease in entity-wide interest payable	286	
Increase in compensated absences	(4,872)	
Timing difference of due from/to other funds	(5)	
Decrease in claims and judgments payable	(47,338)	
		(38,467)

**Change in Net Position of Governmental Activities** \$ 3,534,218

The Notes to the Financial Statements are an integral part of this statement.

State of Oklahoma  
Statement of Net Position  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2022  
(expressed in thousands)

	Business-Type Activities - Enterprise Funds				
	Employment Security Commission	Water Resources Board	Office of Management and Enterprise Services	Lottery Commission	Total
<b>Assets</b>					
<b>Current Assets</b>					
Cash/Cash Equivalents	\$ 612,208	\$ 171,614	\$ 87,857	\$ 38,124	\$ 909,803
Investments	-	-	329,343	-	329,343
Accounts Receivable	163	-	114,824	13,346	128,333
Interest and Investment Revenue Receivable	1,392	13,631	1,033	-	16,056
Federal Grants Receivable	10	586	-	-	596
Taxes Receivable	98,797	-	-	-	98,797
Notes Receivable	-	97,641	-	-	97,641
Other Receivables	-	3	-	-	3
Due from Component Units	6	-	-	-	6
Other Current Assets	-	1	49,110	-	49,111
<b>Total Current Assets</b>	<b>\$ 712,576</b>	<b>\$ 283,476</b>	<b>\$ 582,167</b>	<b>\$ 51,470</b>	<b>\$ 1,629,689</b>
<b>Noncurrent Assets</b>					
Cash/Cash Equivalents, Restricted	-	88,697	-	-	88,697
Long Term Investments	-	3,068	-	-	3,068
Long Term Investments, Restricted	-	43,824	-	-	43,824
Long Term Notes Receivable	-	1,878,105	-	-	1,878,105
Net Pension Asset	-	-	3,670	1,395	5,065
Net Other Postemployment Benefits	-	-	376	-	376
Capital Assets, Net	-	620	1,552	162	2,334
Other Noncurrent Assets	-	-	-	4,783	4,783
<b>Total Noncurrent Assets</b>	<b>\$ -</b>	<b>\$ 2,014,314</b>	<b>\$ 5,598</b>	<b>\$ 6,340</b>	<b>\$ 2,026,252</b>
<b>Total Assets</b>	<b>\$ 712,576</b>	<b>\$ 2,297,790</b>	<b>\$ 587,765</b>	<b>\$ 57,810</b>	<b>\$ 3,655,941</b>
<b>Deferred Outflows of Resources</b>					
Deferred Other Postemployment Benefits	-	-	96	-	96
Deferred Pension Plan Outflows	-	-	595	260	855
<b>Total Deferred Outflows</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 691</b>	<b>\$ 260</b>	<b>\$ 951</b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Accounts Payable and Accrued Liabilities	\$ 3,098	\$ 232	\$ 78,089	\$ 44,439	\$ 125,858
Claims and Judgements	-	-	110,510	-	110,510
Interest Payable	-	12,319	-	-	12,319
Compensated Absences	-	176	-	159	335
Revenue Bonds, net	-	70,950	-	-	70,950
Due to Fiduciary Funds	-	-	-	2,101	2,101
Due to Component Units	-	-	4	-	4
Due to Other Funds	-	-	-	24	24
Other Current Liabilities	881	1,297	42,242	-	44,420
<b>Total Current Liabilities</b>	<b>\$ 3,979</b>	<b>\$ 84,974</b>	<b>\$ 230,845</b>	<b>\$ 46,723</b>	<b>\$ 366,521</b>
<b>Noncurrent Liabilities</b>					
Revenue Bonds (including Premiums)	-	1,415,705	-	-	1,415,705
Compensated Absences	-	75	-	79	154
Other Postemployment Benefits	-	-	486	-	486
Other Noncurrent Liabilities	-	-	10,374	-	10,374
<b>Total Noncurrent Liabilities</b>	<b>\$ -</b>	<b>\$ 1,415,780</b>	<b>\$ 10,860</b>	<b>\$ 79</b>	<b>\$ 1,426,719</b>
<b>Total Liabilities</b>	<b>\$ 3,979</b>	<b>\$ 1,500,754</b>	<b>\$ 241,705</b>	<b>\$ 46,802</b>	<b>\$ 1,793,240</b>
<b>Deferred Inflows of Resources</b>					
Deferred Inflows from Pensions	-	-	4,185	1,642	5,827
Deferred Inflows from OPEB	-	-	261	-	261
Refinancing of Debt	-	19,333	-	-	19,333
<b>Total Deferred Inflows</b>	<b>\$ -</b>	<b>\$ 19,333</b>	<b>\$ 4,446</b>	<b>\$ 1,642</b>	<b>\$ 25,421</b>
<b>Net Position</b>					
Invested in Capital Assets	-	620	1,552	162	2,334
Restricted for:					
Debt Service	-	364,775	-	-	364,775
Lottery Benefits	-	-	4,046	9,464	13,510
Unemployment Benefits	708,597	-	-	-	708,597
Unrestricted	-	412,308	336,711	-	749,019
<b>Total Net Position</b>	<b>\$ 708,597</b>	<b>\$ 777,703</b>	<b>\$ 342,309</b>	<b>\$ 9,626</b>	<b>\$ 1,838,235</b>

The Notes to the Financial Statements are an integral part of this statement.

State of Oklahoma  
Statement of Revenues, Expenses and Changes in Net Position  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2022  
(expressed in thousands)

	Business-Type Activities - Enterprise Funds				Total
	Employment Security Commission	Water Resources Board	Office of Management and Enterprise Services	Lottery Commission	
<b>Operating Revenues</b>					
Sales and Services	\$ 371,082	\$ -	\$ 1,067,641	\$ 350,344	\$ 1,789,067
Federal Revenue	214,607	4,667	-	-	219,274
Interest and Investment Revenue	-	46,862	-	-	46,862
Other	367	-	5,314	389	6,070
Total Operating Revenues	<u>\$ 586,056</u>	<u>\$ 51,529</u>	<u>\$ 1,072,955</u>	<u>\$ 350,733</u>	<u>\$ 2,061,273</u>
<b>Operating Expenses</b>					
Facilities Operations and Maintenance	\$ -	\$ -	\$ -	\$ 427	\$ 427
Administration and General	5,916	6,814	49,212	7,370	69,312
Prizes, Commissions and Other	-	-	-	263,850	263,850
Interest	-	38,817	-	-	38,817
Depreciation	-	205	92	87	384
Benefit Payments and Refunds	440,423	-	1,095,323	-	1,535,746
Total Operating Expenses	<u>\$ 446,339</u>	<u>\$ 45,836</u>	<u>\$ 1,144,627</u>	<u>\$ 271,734</u>	<u>\$ 1,908,536</u>
Operating Income (Loss)	<u>\$ 139,717</u>	<u>\$ 5,693</u>	<u>\$ (71,672)</u>	<u>\$ 78,999</u>	<u>\$ 152,737</u>
<b>Nonoperating Revenues (Expense)</b>					
Interest and Investment Revenue	\$ 4,407	\$ 809	\$ 32,856	\$ 330	\$ 38,402
Other Nonoperating Revenues	2,913	1,000	-	-	3,913
Nonoperating Federal Grants	-	16,552	-	-	16,552
Other Nonoperating Expenses	-	(2)	-	-	(2)
Total Nonoperating Revenues (Expense)	<u>\$ 7,320</u>	<u>\$ 18,359</u>	<u>\$ 32,856</u>	<u>\$ 330</u>	<u>\$ 58,865</u>
Income (Loss) Before Transfers	\$ 147,037	\$ 24,052	\$ (38,816)	\$ 79,329	\$ 211,602
Transfers In	-	2,525	-	-	2,525
Transfers Out	-	(2,684)	-	(79,337)	(82,021)
Change in Net Position	<u>\$ 147,037</u>	<u>\$ 23,893</u>	<u>\$ (38,816)</u>	<u>\$ (8)</u>	<u>\$ 132,106</u>
<b>Total Net Position - Beginning of Year</b>	<u>561,560</u>	<u>753,810</u>	<u>381,125</u>	<u>9,634</u>	<u>1,706,129</u>
<b>Total Net Position - Ending</b>	<u>\$ 708,597</u>	<u>\$ 777,703</u>	<u>\$ 342,309</u>	<u>\$ 9,626</u>	<u>\$ 1,838,235</u>

The Notes to the Financial Statements are an integral part of this statement.

State of Oklahoma  
Statement of Cash Flows  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2022  
(expressed in thousands)

	Business-Type Activities - Enterprise Funds				Total
	Employment Security Commission	Water Resources Board	Office of Management and Enterprise Services	Lottery Commission	
<b>Cash Flows from Operating Activities</b>					
Receipts from Customers and Users	\$ 400,811	\$ -	\$ 1,380,152	\$ 326,720	\$ 2,107,683
Receipts from Federal Grants	215,910	4,930	-	-	220,840
Payments of Benefits	(481,284)	-	(1,382,892)	-	(1,864,176)
Payments to Suppliers	-	(3,008)	(31,337)	(20,371)	(54,716)
Payments to Employees	-	(2,620)	(9,318)	(3,473)	(15,411)
Payments to Prize Winners	-	-	-	(224,572)	(224,572)
Payments to fund deposit with Multi-State Lottery	-	-	-	46	46
Payments of Operating Interest Expense	-	(43,993)	-	-	(43,993)
Collections of Interest on Loans to Governmental Units	-	45,285	-	-	45,285
Net Cash Provided (Used) by Operating Activities	\$ 135,437	\$ 594	\$ (43,395)	\$ 78,350	\$ 170,986
<b>Cash Flows from Noncapital Financing Activities</b>					
Federal Grants and Other Contributions	\$ 3,408	\$ 397,736	\$ -	\$ -	\$ 401,144
Transfers In	-	2,509	-	-	2,509
Transfers Out	-	(2,668)	-	(85,663)	(88,331)
Nonoperating expenses	-	-	-	-	-
Principal Paid on Bonds and Notes Payable	-	(89,732)	-	-	(89,732)
Net Cash Provided (Used) by Noncapital Financing Activities	\$ 3,408	\$ 307,845	\$ -	\$ (85,663)	\$ 225,590
<b>Cash Flows from Capital and Related Financing Activities</b>					
Payments for Acquisition of Capital Assets	\$ -	\$ (388)	\$ (1,616)	\$ (7)	\$ (2,011)
Net Cash Used by Capital and Related Financing Activities	\$ -	\$ (388)	\$ (1,616)	\$ (7)	\$ (2,011)
<b>Cash Flows from Investing Activities</b>					
Interest and Investment Revenue	\$ 4,177	\$ 1,910	\$ 3,973	\$ 330	\$ 10,390
Proceeds from Sale and Maturity of Investments	-	7,292	329,583	-	336,875
Payments to Purchase Investments	-	(6,508)	(335,698)	-	(342,206)
Collections of Principal on Loans to Governmental Units	-	130,142	-	-	130,142
Payments to Issue Notes Receivable	-	(391,355)	-	-	(391,355)
Net Cash Provided by Investing Activities	\$ 4,177	\$ (258,519)	\$ (2,142)	\$ 330	\$ (256,154)
Net Increase in Cash/Cash Equivalents	\$ 143,022	\$ 49,532	\$ (47,153)	\$ (6,990)	\$ 138,411
<b>Cash/Cash Equivalents - Beginning of Year</b>	469,186	210,779	135,010	45,114	860,089
<b>Cash/Cash Equivalents - End of Year</b>	\$ 612,208	\$ 260,311	\$ 87,857	\$ 38,124	\$ 998,500
<b>Reconciliation of Operating Income (Loss) to Net Cash Used by Operating Activities</b>					
Operating Income (Loss)	\$ 139,717	\$ 5,693	\$ (71,672)	\$ 78,999	\$ 152,737
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:					
Depreciation Expense	-	205	92	87	384
Amortization (Accretion) and Other Noncash Expenses	-	(6,234)	-	-	(6,234)
Decrease (Increase) in Assets					
Accounts Receivable	30,986	-	(11,660)	(1,373)	17,953
Federal Receivable	1,304	-	-	-	1,304
Interest and Investment Receivable	-	(1,710)	-	-	(1,710)
Deposit with Multi-State Lottery	-	-	-	46	46
Other Receivables	-	20	(2,977)	(1,395)	(4,352)
Increase (Decrease) in Liabilities					
Accounts Payable and Accrued Liabilities	(34,946)	204	32,961	(1,114)	(2,895)
Interest Payable	-	2,153	-	-	2,153
Prizes Payable	-	-	-	1,803	1,803
Compensated Absences	-	74	-	-	74
Due to other funds	-	-	-	329	329
Unavailable Revenue	(1,624)	-	-	(172)	(1,796)
Other Current Liabilities	-	189	9,861	1,140	11,190
Net Cash Provided (Used) by Operating Activities	\$ 135,437	\$ 594	\$ (43,395)	\$ 78,350	\$ 170,986

The Notes to the Financial Statements are an integral part of this statement.



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State of Oklahoma  
Statement of Fiduciary Net Position  
Fiduciary Funds and Similar Component Units  
June 30, 2022  
(expressed in thousands)

	Pension Trust Funds	Custodial Funds
<b>Assets</b>		
Cash/Cash Equivalents	\$ 868,424	\$ 454,932
Investments, at fair value		
Equity Securities	21,605,175	-
Governmental Securities	4,442,177	-
Debt Securities	5,124,731	-
Other Investments	6,181,264	-
Securities Lending Investments	2,092,153	-
Taxes Receivable	-	181,180
Accounts Receivable	-	5,163
Interest and Investment Revenue Receivable	107,810	-
Employer Contributions Receivable	56,485	-
Employee Contributions Receivable	37,176	-
Other Receivables	650	-
Due from Broker	623,288	-
Due from Primary Government	100,785	-
Due from Component Units	717	-
Inventory	-	11,185
Capital Assets, Net	4,991	-
Other Assets	419	-
<b>Total Assets</b>	<b>\$ 41,246,245</b>	<b>\$ 652,460</b>
<b>Liabilities</b>		
Accounts Payable	\$ 281,603	\$ 1,435
Securities Lending Payable	2,092,153	-
Tax Refunds Payable	-	1,878
Due to Brokers	1,143,401	-
Due to Other Funds	68	-
Due to Others	-	637,979
Unearned Revenue	-	11,168
Benefits in the Process of Payment	116,590	-
Other Liabilities	9,361	-
<b>Total Liabilities</b>	<b>\$ 3,643,176</b>	<b>\$ 652,460</b>
<b>Net Position</b>		
Net Position Restricted for Pensions	<b>\$ 37,603,069</b>	

The Notes to the Financial Statements are an integral part of this statement.

State of Oklahoma  
Statement of Changes in Fiduciary Net Position  
Fiduciary Funds and Similar Component Units  
For the Fiscal Year Ended June 30, 2022  
(expressed in thousands)

	Pension Trust Funds	Custodial Funds
<b>Additions</b>		
Contributions		
Employer Contributions	\$ 908,891	\$ -
Employee Contributions	500,873	-
Other Contributions	639,124	-
Total Contributions	<u>\$ 2,048,888</u>	<u>\$ -</u>
Investment Income		
Net Appreciation in Fair Value of Investments	\$ (5,188,892)	\$ -
Interest and Investment Revenue	637,036	21,605
Total Investment Earnings	<u>\$ (4,551,856)</u>	<u>\$ 21,605</u>
Less Investment Expenses	129,255	19,860
Net Investment Earnings	<u>\$ (4,681,111)</u>	<u>\$ 1,745</u>
Taxes Collected for Other Governments	\$ -	\$ 2,737,539
Collections for Beneficiaries	-	405,858
Federal Grants	-	10
Other Collections	-	36,264
Total Additions	<u>\$ (2,632,223)</u>	<u>\$ 3,181,416</u>
<b>Deductions</b>		
Administrative and General Expenses	\$ 17,968	\$ -
Benefit Payments and Refunds	2,958,002	418,442
Taxes Disbursed to Other Governments	-	2,749,599
Other Expenditures	-	13,375
Total Deductions	<u>\$ 2,975,970</u>	<u>\$ 3,181,416</u>
Net Increase/(Decrease)	\$ (5,608,193)	\$ -
<b>Net Position Reserved for Employees' Pension Benefits</b>		
Beginning of Year	<u>\$ 43,211,262</u>	
End of Year	<u>\$ 37,603,069</u>	

The Notes to the Financial Statements are an integral part of this statement.

## Description of Major Component Units

The State of Oklahoma has six major component units which are described below:

### OKLAHOMA STUDENT LOAN AUTHORITY

525 Central Park Drive, Suite 600, Oklahoma City, Oklahoma 73105  
<https://public.osla.org>

The Authority provides loans to qualified persons at participating educational institutions through the issuance of tax-exempt revenue bonds or other debt obligations.

### OKLAHOMA HOUSING FINANCE AGENCY

P.O. Box 26720, Oklahoma City, Oklahoma 73126  
<https://www.ok.gov/ohfa>

The Agency is authorized to issue revenue bonds and notes in order to provide funds to promote the development of adequate residential housing and other economic development for the benefit of the State of Oklahoma.

### OKLAHOMA TURNPIKE AUTHORITY

3500 N. Martin Luther King Avenue, Oklahoma City, Oklahoma 73111  
<https://www.pikepass.com>

The Authority is authorized to construct, maintain, repair, and operate turnpike projects at locations authorized by the legislature and approved by the Department of Transportation. The Authority receives revenues from turnpike tolls and a percentage of the turnpike concessions sales. The Authority issues revenue bonds to finance the cost of turnpike projects.

### GRAND RIVER DAM AUTHORITY

P.O. Box 669, Chouteau, Oklahoma 74337  
<https://www.grda.com>

The Authority controls the waters of the Grand River system to generate waterpower into electric energy and to promote irrigation, conservation and development of natural resources. The Authority produces and distributes electrical power for sale to customers primarily located in northeastern Oklahoma.

### OKLAHOMA MUNICIPAL POWER AUTHORITY

P.O. Box 1960, Edmond, Oklahoma 73083  
<http://ompa.com>

The Authority provides a means for the municipal electric systems in the state to jointly plan, finance, acquire, and operate electrical power supply facilities necessary to meet the electrical energy requirements of their consumers. The Authority also sells electric power to its member municipalities.

### HIGHER EDUCATION

Higher education is primarily comprised of colleges and universities which are members of the Oklahoma State System of Higher Education. The system includes the following colleges and universities:

#### COMPREHENSIVE UNIVERSITIES

The University of Oklahoma  
Oklahoma State University

#### OTHER FOUR-YEAR UNIVERSITIES

University of Central Oklahoma  
East Central University  
Northeastern State University  
Northwestern Oklahoma State University  
Southeastern Oklahoma State University  
Southwestern Oklahoma State University  
Cameron University  
Langston University  
Oklahoma Panhandle State University  
Rogers State University  
University of Science and Arts of Oklahoma

#### TWO-YEAR COLLEGES

Carl Albert State College  
Connors State College  
Eastern Oklahoma State College  
Redlands Community College  
Murray State College  
Northeastern Oklahoma A & M College  
Northern Oklahoma College  
Oklahoma City Community College  
Rose State College  
Seminole State College  
Tulsa Community College  
Western Oklahoma State College

Each institution which is a member of the Oklahoma State System of Higher Education (the system) is governed by a Board of Regents. The Boards of Regents consist of five to ten members appointed by the governor, with the advice and consent of the Senate. The colleges and universities are funded through state appropriations, tuition, federal grants, and private donations and grants. Also included in the higher education component unit are the following entities:

**Oklahoma State Regents for Higher Education** serves as the coordinating board of control for the system.

**Regional University System of Oklahoma Regents** has legislative powers and duties to manage, supervise, and control operation of the six regional state universities which are the University of Central Oklahoma, East Central University, Northeastern State University, Northwestern Oklahoma State University, Southeastern Oklahoma State University, and Southwestern Oklahoma State University.

**University Center at Ponca City** was established to make higher education available to those persons who might otherwise not be able to attend an institution of higher learning in northern Oklahoma. Students enrolled in the program earn credit applicable toward academic degrees and certificates at participating institutions in the system.

**Rose State College Technical Area Education District, South Oklahoma City Area School District, and Tulsa Community College Area School District #18** were created to provide secondary vocational, technical, and adult education programs for persons within their defined geographical boundaries.

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State of Oklahoma  
Combining Statements of Net Position  
Major Component Units  
June 30, 2022  
(expressed in thousands)

	Oklahoma Student Loan Authority	Oklahoma Housing Finance Agency	Oklahoma Turnpike Authority	Grand River Dam Authority	Oklahoma Municipal Power Authority	Higher Education Component Unit	Nonmajor Component Units Total	All Component Units Total
<b>Assets</b>								
<b>Current Assets</b>								
Cash/Cash Equivalents - Unrestricted	\$ 87	\$ 40,152	\$ 247,490	\$ 17,341	\$ 6,997	\$ 1,825,441	\$ 236,489	\$ 2,373,997
Investments	19,832	-	12,607	3,519	5,603	1,403,502	63,914	1,508,977
Accounts Receivable	-	186	13,888	73,918	16,963	612,235	36,870	754,060
Interest and Investment								
Revenue Receivable	7,761	1,098	2,163	1,818	282	4,320	131	17,573
Federal Grants Receivable	-	989	-	-	-	18,727	-	19,716
Notes Receivable	24,342	-	-	-	350	4,158	657	29,507
Other Receivables	-	-	-	-	-	38,951	2,404	41,355
Due from Component Units	-	-	-	-	-	29,091	-	29,091
Due from Primary Government	-	-	1,109	-	-	21,275	141,907	164,291
Inventory	-	-	11,832	55,326	1,659	17,061	-	85,878
Prepaid Items	-	936	282	4,838	-	15,628	3,635	25,319
Other Current Assets	-	-	-	32,588	1,591	39,940	5,312	79,431
<b>Total Current Assets</b>	<b>\$ 52,022</b>	<b>\$ 43,361</b>	<b>\$ 289,371</b>	<b>\$ 189,348</b>	<b>\$ 33,445</b>	<b>\$ 4,030,329</b>	<b>\$ 491,319</b>	<b>\$ 5,129,195</b>
<b>Noncurrent Assets</b>								
<b>Cash/Cash Equivalents -</b>								
Restricted	\$ -	\$ 15,033	\$ 196,860	\$ 174	\$ 51,998	\$ 627,655	\$ 188	\$ 891,908
Investments - Restricted	2,922	268,854	265,322	211,123	57,607	2,583,653	11	3,389,492
<b>Long Term Investments</b>								
Unrestricted	-	57,010	-	173,834	-	1,565,892	4,574	1,801,310
Leases Receivables - Component Units	-	5,949	-	-	-	-	16	5,965
Net Pension Asset	-	-	15,605	30,042	-	98	3,506	49,251
Net Other Postemployment Benefit Asset	-	141	1,598	-	-	27,598	152	29,489
<b>Long Term Notes Receivable, Net</b>								
Unrestricted	116,674	-	-	-	743	22,573	-	139,990
Restricted	-	-	-	-	-	-	6,360	6,360
<b>Capital Assets</b>								
Depreciable, Net	1,717	2,579	1,154,632	1,147,505	389,510	5,636,519	311,110	8,643,572
Land	-	550	297,605	39,593	-	225,329	14,166	577,243
Construction in Progress	-	2,405	902,836	49,436	2,019	188,954	16,694	1,162,344
<b>Other Noncurrent Assets</b>								
Unrestricted	1,325	-	-	66,932	178,267	181,525	54,431	482,480
Restricted	-	-	-	-	-	-	36	36
<b>Total Noncurrent Assets</b>	<b>\$ 122,638</b>	<b>\$ 352,521</b>	<b>\$ 2,834,458</b>	<b>\$ 1,718,639</b>	<b>\$ 680,144</b>	<b>\$ 11,059,796</b>	<b>\$ 411,244</b>	<b>\$ 17,179,440</b>
<b>Total Assets</b>	<b>\$ 174,660</b>	<b>\$ 395,882</b>	<b>\$ 3,123,829</b>	<b>\$ 1,907,987</b>	<b>\$ 713,589</b>	<b>\$ 15,090,125</b>	<b>\$ 902,563</b>	<b>\$ 22,308,635</b>
<b>Deferred Outflow of Resources</b>								
Deferred Outflows from Pensions	\$ 2,580	\$ 2,076	\$ 2,946	\$ 5,375	\$ 672	\$ 373,852	\$ 870	\$ 388,371
Deferred Outflows from OPEB	-	130	485	3,111	-	64,319	-	68,045
Lease Restructuring	-	-	-	-	-	22,765	-	22,765
Advance Refunding of Bonds	1,378	-	54,841	24,650	26,033	19,167	-	126,069
Defeasance of Bonds	-	-	-	-	-	275	-	275
Accumulated Decrease in Fair Value of Derivatives	-	52	-	-	1,272	-	-	1,324
Asset Retirement Obligations	-	-	-	-	-	305	-	305
<b>Total Deferred Outflows</b>	<b>\$ 3,958</b>	<b>\$ 2,258</b>	<b>\$ 58,272</b>	<b>\$ 33,136</b>	<b>\$ 27,977</b>	<b>\$ 480,683</b>	<b>\$ 870</b>	<b>\$ 607,154</b>

The Notes to the Financial Statements are an integral part of this statement.

	Oklahoma Student Loan Authority	Oklahoma Housing Finance Agency	Oklahoma Turnpike Authority	Grand River Dam Authority	Oklahoma Municipal Power Authority	Higher Education Component Unit	Nonmajor Component Units Total	All Component Units Total
<b>Liabilities</b>								
<b>Current Liabilities</b>								
Accounts Payable and Accrued Liabilities	\$ 1,898	\$ 2,298	\$ 32,547	\$ 37,043	\$ 25,364	\$ 280,047	\$ 126,944	\$ 506,141
Unearned Revenue	-	1,833	44,704	-	-	139,089	83	185,709
Claims and Judgements	-	-	-	-	-	1,737	50,545	52,282
Interest Payable	329	509	36,477	3,494	11,690	21,582	113	74,194
Compensated Absences	-	1,139	631	3,285	-	71,296	486	76,837
Revenue Bonds	-	5,895	56,345	41,675	24,250	79,682	-	207,847
Due to Fiduciary Funds	-	73	-	555	63	2	24	717
Due to Other Component Units	-	-	-	136	-	15,189	13,766	29,091
Due to Primary Government	20	4	2,467	183	1	583	11	3,269
Right to Use Leases	-	-	-	-	-	59,646	1,261	60,907
Right to Use Leases - Primary Government	-	-	-	-	-	27,570	-	27,570
Notes Payable	-	-	-	-	3,004	1,048	1,414	5,466
Other Current Liabilities	-	-	1,220	-	999	584,756	14,379	601,354
<b>Total Current Liabilities</b>	<b>\$ 2,247</b>	<b>\$ 11,751</b>	<b>\$ 174,391</b>	<b>\$ 86,371</b>	<b>\$ 65,371</b>	<b>\$ 1,282,227</b>	<b>\$ 209,026</b>	<b>\$ 1,831,384</b>
<b>Noncurrent Liabilities</b>								
Claims and Judgements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,985	\$ 406,949	\$ 409,934
Due to Primary Government	-	-	54,202	-	-	-	-	54,202
Right to Use Leases	-	-	-	-	-	699,907	1,222	701,129
Right to Use Leases-Primary Government	-	-	-	-	-	254,335	-	254,335
Compensated Absences	-	-	2,171	2,452	-	52,002	220	56,845
Net Pension Liability	5,727	2,676	-	211	-	1,112,183	-	1,120,797
Notes Payable	97,387	-	50,000	-	22,210	15,891	-	185,488
General Obligation Bonds	-	-	-	-	-	-	30,000	30,000
Net Other Postemployment Benefit Liability	-	-	2,037	20,715	-	308,236	171	331,159
Unamortized Premium (Discount) on refunding	-	7,703	137,416	76,624	35,506	104,392	-	361,641
Revenue Bonds	-	178,860	1,653,890	822,945	555,883	1,766,046	3,000	4,980,624
Other Noncurrent Liabilities	358	-	-	10,487	273	64,109	18	75,245
<b>Total Noncurrent Liabilities</b>	<b>\$ 103,472</b>	<b>\$ 189,239</b>	<b>\$ 1,899,716</b>	<b>\$ 933,434</b>	<b>\$ 613,872</b>	<b>\$ 4,380,086</b>	<b>\$ 441,580</b>	<b>\$ 8,561,399</b>
<b>Total Liabilities</b>	<b>\$ 105,719</b>	<b>\$ 200,990</b>	<b>\$ 2,074,107</b>	<b>\$ 1,019,805</b>	<b>\$ 679,243</b>	<b>\$ 5,662,313</b>	<b>\$ 650,606</b>	<b>\$ 10,392,783</b>
<b>Deferred Inflow of Resources</b>								
Accumulated Increase in Fair Value	\$ -	\$ -	\$ -	\$ 5,001	\$ -	\$ -	\$ -	\$ 5,001
Service Concession Arrangements	-	-	-	-	-	82,280	-	82,280
Deferred pension plan inflows	3,505	62	17,874	36,383	4,988	826,481	4,111	893,404
Deferred OPEB plan inflows	-	123	1,945	494	-	102,752	-	105,314
Restructured Debt	-	-	-	-	-	9,750	-	9,750
Deferred Regulation inflows	-	-	10,560	100,674	15,539	-	15	126,788
<b>Total Deferred Inflows</b>	<b>\$ 3,505</b>	<b>\$ 185</b>	<b>\$ 30,379</b>	<b>\$ 142,552</b>	<b>\$ 20,527</b>	<b>\$ 1,021,263</b>	<b>\$ 4,126</b>	<b>\$ 1,222,537</b>
<b>Net Position</b>								
Net Investment in Capital Assets	\$ 1,717	\$ 5,534	\$ 577,635	\$ 317,117	\$ (25,204)	\$ 3,301,674	\$ 338,533	\$ 4,517,006
Restricted for:								
Debt Service	-	91,622	155,013	24,310	23,376	69,023	-	363,344
Other Special Purpose								
Nonexpendable	-	-	-	-	-	1,188,968	-	1,188,968
Expendable	14,126	1,622	76,680	92,453	15,981	3,826,580	23,000	4,050,442
Unrestricted	53,551	98,187	268,287	344,886	27,643	500,987	(112,832)	1,180,709
<b>Total Net Position</b>	<b>\$ 69,394</b>	<b>\$ 196,965</b>	<b>\$ 1,077,615</b>	<b>\$ 778,766</b>	<b>\$ 41,796</b>	<b>\$ 8,887,232</b>	<b>\$ 248,701</b>	<b>\$ 11,300,469</b>

The Notes to the Financial Statements are an integral part of this statement.

State of Oklahoma  
Combining Statement of Activities  
Major Component Units  
For the Fiscal Year Ended June 30, 2022  
(expressed in thousands)

	Program Revenues				General Revenue		Net Position Beginning of Year	Net Position End of Year
	Expenses	Charges for Services	Operating Grants and Contributions	Net (Expense) Revenue	Payments from Primary Government	Change in Net Asset		
Component Units:								
Oklahoma Student Loan Authority	\$ 22,457	\$ 26,190	\$ -	\$ 3,733	\$ -	\$ 3,733	\$ 65,661	\$ 69,394
Housing Finance Agency	168,438	30,079	149,719	11,360	-	11,360	185,605	196,965
Oklahoma Turnpike Authority	282,697	378,454	-	95,757	-	95,757	981,858	1,077,615
Grand River Dam Authority	521,485	590,241	-	68,756	-	68,756	710,010	778,766
Oklahoma Municipal Power Authority	194,983	195,248	-	265	-	265	41,531	41,796
Higher Education Component Unit	5,030,033	2,380,970	2,115,480	(533,583)	719,059	185,476	8,701,756	8,887,232
Nonmajor Component Units	673,401	545,122	70,164	(58,115)	151,092	92,977	155,724	248,701
Total Component Units	<u>\$ 6,893,494</u>	<u>\$ 4,146,304</u>	<u>\$ 2,335,363</u>	<u>\$ (411,827)</u>	<u>\$ 870,151</u>	<u>\$ 458,324</u>	<u>\$ 10,842,145</u>	<u>\$ 11,300,469</u>

The Notes to the Financial Statements are an integral part of this statement.





Visitors to the Capitol look up from near the new 14-foot bronze State Seal on the ground floor. The ceiling was opened as part of the renovation. The view from the ground floor is open all the way to the top of the rotunda.





# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

### Note 1. Summary of Significant Accounting Policies

The accompanying financial statements of the State of Oklahoma (the state) are prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB).

In June of 2017, GASB issued Statement number 87, *Leases*, which requires recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows or outflows of resources based on the payment provisions of the contracts. The statement also establishes a single model for lease accounting based on the foundational principle that leases are financing of the right to use an underlying asset. The 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 state was required to implement this standard for the fiscal year ended June 30, 2022.

In June of 2018, GASB issued Statement number 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, enhances the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and simplifies accounting for interest cost incurred before the end of the construction period.

The state was required to implement this standard for the fiscal year ended June 30, 2022.

In January of 2020, GASB issued Statement number 92, *Omnibus 2020*, 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 state was required to implement this standard for the fiscal year ended June 30, 2022.

In March of 2020, GASB issued Statement number 93, *Replacement of Interbank Offered Rates*, addresses the accounting and financial reporting implications that result from the replacement of interbank offered rate, most notably the London Interbank Offered Rate or LIBOR. As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021.

The state was required to implement this standard for the fiscal year ended June 30, 2022.

In April of 2022, GASB issued Statement number 99, *Omnibus 2022*, effective upon issuance, requirements related to the extension of the use of LIBOR, accounting for Supplemental Nutrition Assistance Program distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, *Basic Financial Statements – A Management’s Discussion and Analysis – for State and Local Governments*, as amended, and terminology updates related to Statement 53, *Accounting and Financial Reporting for Derivative Instruments*, and Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*.

The state was required to implement this section of the standard for the fiscal year ended June 30, 2022.

New Accounting Statements Issued Not Yet Adopted:

GASB Statement number 91, *Conduit Debt Obligations*, is to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations and related note disclosures.

GASB Statement number 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, addresses issues related to public-private and public-public partnership arrangements and provides guidance for accounting and financial reporting for availability payment arrangements.

GASB Statement number 96, *Subscription-Based Information Technology Arrangements*, defines a subscription-based information technology arrangement (SBITA), establishes that a SBITA results in a right-to-use subscription asset and a corresponding subscription liability, provides capitalization criteria for outlays other than subscription payments and requires note disclosure regarding a SBITA.

GASB Statement number 99, *Omnibus 2022*, enhances comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing requirements related to leases, public-private and public-public partnerships, and SBITAs.

GASB Statement number 100, *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62*, enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

GASB Statement number 101, *Compensated Absences*, requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements.

The accompanying financial statements present the financial position of the state and the various funds and fund types, results of operations of the state and the various funds and fund types, and the cash flows of the proprietary funds. The financial statements are presented as of June 30, 2022, and for the year then ended. The financial statements include the various agencies, boards, commissions, public trusts, authorities, and other organizational units governed by the Oklahoma state legislature and/or Constitutional officers of the State of Oklahoma.

#### **A. Reporting Entity**

The state has considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the state are such that exclusion would cause the state's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the state to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the state. Local school districts (the state's support of the public education system is reported in the general fund) and other local authorities of various kinds that may meet only one of the criteria for inclusion in this report have not been included. Local district attorney offices receive some state support through the general fund. Funds held by the district attorney offices at the county level are outside of the state's general fund and have not been included in the financial statements. Separately issued independent audit reports for district attorney offices are available through the State Auditor and Inspector, 2300 N. Lincoln Blvd., Room 123, Oklahoma City, OK 73105.

As required by GAAP, these financial statements present the State of Oklahoma, the primary government, and its component units.

#### **Discretely Presented Component Units**

Component units are entities which are legally separate from the state, but are financially accountable to the state, or whose relationships with the state are such that exclusion would cause the state's financial statements to be misleading or incomplete. Separately issued independent audit reports may be obtained from the Office of Management and Enterprise Services, 2401 N. Lincoln Blvd., Suite 212, Oklahoma City, Oklahoma 73105. The audit reports may also be obtained from the respective component units at the addresses presented on the description page of the fund financial statements section for the major component units, and the description page in the combining financial statement section of this report for the non-major component units.

The component units' column of the Government-Wide Financial Statements includes the financial data of the following entities:

### MAJOR COMPONENT UNITS

**Oklahoma Student Loan Authority** provides loan funds to qualified persons at participating educational institutions through the issuance of tax-exempt revenue bonds or other debt obligations. The authority is composed of five members appointed by the governor, with the advice and consent of the Senate. The state can impose its will on the authority by its ability to veto or modify the authority's decisions. The authority was audited by other independent auditors for the year ended June 30, 2022, and their report, dated November 17, 2022, and has been previously issued under separate cover.

**Oklahoma Housing Finance Agency** is authorized to issue revenue bonds and notes in order to provide funds to promote the development of residential housing and other economic development for the benefit of citizens. In addition, the agency administers Section 8 housing assistance payments programs for the U.S. Department of Housing and Urban Development. The board of trustees consists of five members appointed by the governor. A resident board member is also appointed by the governor. The state can impose its will on the agency by its ability to veto or modify the agency's decisions. The agency was audited by other independent auditors for the year ended September 30, 2021, and their report, dated January 25, 2022, and has been previously issued under separate cover.

**Oklahoma Turnpike Authority** constructs, maintains, repairs, and operates turnpike projects at locations authorized by the legislature and approved by the state Department of Transportation. The authority receives its revenues from turnpike tolls and a percentage of turnpike concession sales. The authority issues revenue bonds to finance turnpike projects. The authority consists of the governor and six members appointed by the governor, with the advice and consent of the Senate. The state can impose its will on the authority by its ability to veto or modify the authority's decisions. The authority was audited by other independent auditors for the year ended December 31, 2021, and their report, dated March 31, 2022, and has been previously issued under separate cover.

**Grand River Dam Authority** controls the waters of the Grand River system to develop and generate waterpower and electric energy, and to promote irrigation, conservation, and development of natural resources. The authority produces and distributes electrical power for sale to customers primarily located in northeastern Oklahoma. The customers consist of rural electric cooperatives, municipalities, industries, and off-system sales. The seven-member board of directors consists of the general manager of the Oklahoma Association of Electric Cooperatives, the executive director of the Municipal Electric Systems of Oklahoma, and appointees by the governor, the Speaker of the House of Representatives, and the president pro tempore of the Senate. The state can impose its will on the authority by its ability to veto or modify the authority's decisions. The authority was audited by other independent auditors for the year ended December 31, 2021, and their report, dated March 31, 2022, and has been previously issued under separate cover.

**Oklahoma Municipal Power Authority** provides a means for the municipal electric systems in the state to jointly plan, finance, acquire, and operate electrical power supply facilities. Facilities are financed through the issuance of revenue bonds, which are approved by the state's Bond Oversight Commission. Exclusion of the component unit would cause the state's financial statements to be misleading or incomplete. The authority was audited by other independent auditors for the year ended December 31, 2021, and their report, dated March 31, 2022, and has been previously issued under separate cover.

**Higher Education Component Unit** - This component unit is primarily comprised of the 25 colleges and universities that are members of the Oklahoma State System of Higher Education (the system). All the colleges and universities have foundations that receive and hold economic resources for the benefit of their associated entity. These foundations are component units of their respective college or university and are included as part of the higher education component unit. Separately issued independent audit reports for each college, university, foundation, or other included entity may be obtained from the Office of Management and Enterprise Services, 2401 N. Lincoln Blvd., Suite 212, Oklahoma City, Oklahoma 73105. Each institution in the system is governed by a board of regents. The boards of regents consist of five to ten members appointed by the



governor, with the advice and consent of the Senate. The state can impose its will on each institution by its ability to modify and approve their budget. The colleges and universities are funded through state appropriations, tuition, federal grants, and private donations and grants.

For fiscal year ending 2022, the foundation for Langston University has not been audited. The foundation's financial information included in the higher education component unit is measured as of June 30, 2022.

Also included in the Higher Education Component Unit are the following entities:

- **Oklahoma State Regents for Higher Education** serves as the coordinating board of control for the system. The board of regents for higher education consists of nine members appointed by the governor, with the advice and consent of the Senate. The state can impose its will on the state regents for higher education by its ability to modify and approve their budget.
- **Regional University System of Oklahoma** has legislative powers and duties to manage, supervise, and control operation of the six regional state universities which are the University of Central Oklahoma, East Central University, Northeastern State University, Northwestern Oklahoma State University, Southeastern Oklahoma State University, and Southwestern Oklahoma State University. The board consists of the State Superintendent of Public Instruction and eight members appointed by the governor, with the advice and consent of the Senate. The state can impose its will on the board of regents by its ability to modify and approve their budget. Each of the six regional state universities has one or more foundations that are component units of their respective university and are included in the higher education component unit.
- **Rose State College Technical Area Education District, South Oklahoma City Area School District, and Tulsa Community College Area School District #18** were created to provide postsecondary vocations, technical, and adult education programs for person within their defined geographical boundaries. The primary source of operating fund is ad valorem taxes assessed against real property located in their districts. The districts are component units of Rose State College, Oklahoma City Community College, and Tulsa Community College, respectively.
- **University Center at Ponca City** was established to make educational program resources in the Oklahoma State System of Higher Education available to the citizens in northern Oklahoma and the Ponca City community. The center is administered by a board of trustees consisting of nine members appointed by the governor with the advice and consent of the Senate. The state can impose its will on the Center by its ability to modify and approve their budget.

#### NON-MAJOR COMPONENT UNITS

**Oklahoma Educational Television Authority (OETA)** was created to make educational television services available to all Oklahoma citizens on a coordinated statewide basis. The board of directors is comprised of thirteen members, seven of which are appointed by the governor, with the advice and consent of the Senate. A financial benefit/burden relationship exists between the state and OETA. OETA also has a non-profit foundation, "Friends of OETA", that was established to receive private donations and contributions for the benefit of OETA. This foundation qualifies as a component unit of OETA and is combined with OETA. OETA was audited by other independent auditors for the year ended June 30, 2022, and their report, dated January 11, 2023, was previously issued under separate cover.

**Oklahoma Industrial Finance Authority** assists with the state's industrial development by making loans to authorized industrial development agencies or trusts and new or expanding industries within Oklahoma. These loans are secured by first or second mortgages on real estate and equipment. The authority's loans are financed by issuance of general obligation bonds. The board of directors is comprised of seven members appointed by the governor, with the advice and consent of the Senate. In addition, the state treasurer is included as an ex officio, non-voting member of the board of directors. The state can impose its will on the authority by its ability to veto or modify the authority's decisions. The authority was audited by other independent auditors for the year ended June 30, 2022, and their report, dated October 17, 2022, and has been previously issued under separate cover.

**Multiple Injury Trust Fund** provides benefits to a worker with a pre-existing disability who suffers a second on-the-job injury. The state can impose its will on the fund by its ability to remove management (appointees) at will. The fund was audited by other independent auditors for the period ended December 31, 2021, and their report, dated June 29, 2022, and has been previously issued under separate cover.

**University Hospitals Authority** consists of The University Hospital and Children's Hospital of Oklahoma, and their related clinics and other services. The authority is affiliated with the University of Oklahoma Health Sciences Center whose medical school residents and staff provide patient care, in-service education, and certain administrative duties for the benefit of the authority. The authority is governed by a six-member board consisting of appointees of the governor, Speaker of the House of Representatives, and the president pro tempore of the Senate, and officials from the state Medicaid program, the University of Oklahoma Health Sciences Center, and the authority. A financial benefit/burden relationship exists between the state and the authority. The authority was audited by other independent auditors for the year ended June 30, 2022, and their report, dated October 28, 2022, and has been previously issued under separate cover.

**Oklahoma Development Finance Authority** provides financing for both public and private entities in the state. The authority obtains funds through the issuance of bonds and notes. Private entities qualifying for financing are generally agricultural, civic, educational, health care, industrial, or manufacturing enterprises. Financing is also provided to governmental agencies and instrumentalities of the state. The governing board, appointed by the governor, with the advice and consent of the Senate, is comprised of seven members: one person selected from each of the six congressional districts of the state as they existed in 1960 and the director of the Department of Commerce. The state can impose its will on the authority by its ability to veto or modify the authority's decisions. The authority was audited by other independent auditors for the year ended June 30, 2022, and their report, dated October 20, 2022, and has been previously issued under separate cover.

**Oklahoma Capital Investment Board** assists the state with industrial development by mobilizing equity and near-equity capital making investments for the potential creation of jobs and growth that will diversify and stabilize the economy. The board of directors is comprised of five members appointed by the governor, with the advice and consent of the Senate. The state can impose its will on the board by its ability to veto or modify the board's decisions. The board, in order to mobilize investments, owns the Oklahoma Capital Formation Company LLC (OCFC), a formerly independent corporation. During fiscal year 2006, the board purchased 100% of the ownership of the OCFC. In fiscal year 2007, OCFC changed its corporate structure and name from a corporation to an Oklahoma limited liability company. Operations of the OCFC are included in the financial results of the board. The board was audited by other independent auditors for the year ended June 30, 2022, and their report, dated September 22, 2022, and has been previously issued under separate cover.

**Oklahoma State University Medical Authority** is affiliated with the Oklahoma State University Center for Health Sciences to provide funding, teaching, and training for graduate medical students. It also serves as a site for conducting medical research by faculty and providing patient care. The board is governed by seven members which consists of the following: a member appointed by the governor, with the advice and consent of the Senate, a member appointed by the president pro tempore of the Senate, a member appointed by the Speaker of the House of Representatives, the chief executive officer of the Oklahoma Health Care Authority, or his or her designee, the president of the Oklahoma State University Center for Health Sciences, chief executive officer of the Oklahoma State University Medical Authority and an appointee of the president of Oklahoma State University. A financial benefit/burden exists between the authority and the state. The authority was audited by other independent auditors for the year ended June 30, 2022, and their report, dated October 28, 2022, and has been issued under separate cover. In October 2013, Oklahoma State University Medical Trust, Oklahoma State University Medical Center Trust, and the authority entered into a Tripartite Agreement and Plan of Merger. Under the terms of the merger agreement the Oklahoma State University Medical Center Trust merged with the Oklahoma State University Medical Trust. Oklahoma State University Medical Trust, the surviving entity, is deemed to be a component unit of the authority due to the common governance.



## FIDUCIARY COMPONENT UNITS

Six public employee retirement systems administer pension funds for the state and its political subdivisions. The six public employee retirement systems are subject to state legislative and executive controls and the administrative expenses are subject to legislative budget controls. These legally separate component units, while meeting the definition of a component unit, are presented in the fund financial statements along with other primary government fiduciary funds of the state. They have been omitted from the Government-Wide Financial Statements.

Separately issued independent audit reports are available even though they are excluded from the Government-Wide Financial Statements. They may be obtained from the Office of Management and Enterprise Services, 2401 N. Lincoln Blvd., Suite 212, Oklahoma City, Oklahoma 73105, or the respective fiduciary component units at the addresses presented on the description page of the Combining Financial Statement section of this report.

**Oklahoma Firefighters Pension and Retirement System** provides retirement benefits for municipal firefighters. The system is administered by a board comprised of thirteen members: The president of the Professional Firefighters of Oklahoma (or designee), the president of the Oklahoma State Retired Firefighters Association (or designee), the State Insurance Commissioner (or designee), and the director of the Office of Management and Enterprise Services (or designee), the five members of the board of trustees of the Oklahoma Firefighters Association, and appointees by the Speaker of the House of Representatives, the president pro tempore of the Senate, and the president of the Oklahoma Municipal League. The system was audited by other independent auditors for the year ended June 30, 2022, and their report, dated October 21, 2022, and has been previously issued under separate cover.

**Oklahoma Law Enforcement Retirement System** provides retirement benefits for qualified law enforcement officers. The system is administered by a board comprised of thirteen members: The Commissioner of Public Safety (or designee), the Director of the Office of Management and Enterprise Services (or designee), members of the Department of Public Safety, the Oklahoma State Bureau of Investigation, the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, and the Alcoholic Beverage Laws Enforcement Commission, and appointees by the governor, the Speaker of the House of Representatives, and the president pro tempore of the Senate. The system was audited by other independent auditors for the year ended June 30, 2022, and their report, dated October 19, 2022, and has been previously issued under separate cover.

**Oklahoma Public Employees Retirement System** administers the Oklahoma Public Employee Retirement Plan which provides retirement benefits for state, county, and local employees. The board is comprised of fourteen members: the State Insurance Commissioner (or designee), and the Director of the Office of Management and Enterprise Services (or designee), a member of the Oklahoma Corporation Commission (or designee) selected by the Oklahoma Corporation Commission, the director of Human Capital Management of the Office of Management and Enterprise Services, a member of the Oklahoma Tax Commission selected by the Tax Commission, the State Treasurer (or designee), three appointees by the governor, one member appointed by the Supreme Court, two members appointed by the Speaker of the House of Representatives, and two members appointed by the president pro tempore of the Senate. The system was audited by other independent auditors for the year ended June 30, 2022, and their report, dated October 11, 2022, and has been previously issued under separate cover.

**Uniform Retirement System for Justices and Judges** is administered by the Oklahoma Public Employee Retirement System and provides retirement benefits for justices and judges. The board of trustees is comprised of fourteen members: the State Insurance Commissioner (or designee), and the director of the Office of Management and Enterprise Services (or designee), a member of the Oklahoma Corporation Commission (or designee) selected by the Oklahoma Corporation Commission, the director of Human Capital Management of the Office of Management and Enterprise Services, a member of the Oklahoma Tax Commission selected by the Oklahoma Tax Commission, the State Treasurer (or designee), three appointees by the governor, one member appointed by the Supreme Court, two members appointed by the Speaker of the House of Representatives, and two members appointed by the president pro tempore of the Senate. The system was audited by other independent auditors for the year ended June 30, 2022, and their report, dated October 11, 2022, and has been previously issued under separate cover.

**Oklahoma Police Pension and Retirement System** provides retirement benefits for police officers employed by participating municipalities. The system is administered by a board comprised of thirteen members: seven members elected from the seven board districts, the State Insurance Commissioner (or designee) and the director of the Office of Management and Enterprise Services (or designee), and appointees by the governor, the Speaker of the House of Representatives, the president pro tempore of the Senate, and the president of the Oklahoma Municipal League. The system was audited by other independent auditors for the year ended June 30, 2022, and their report, dated September 14, 2022, and has been previously issued under separate cover.

**Teachers' Retirement System of Oklahoma** provides retirement allowances and benefits for qualified persons employed by state-supported educational institutions. The system is administered by a board consisting of fifteen members: State Superintendent of Public Instruction (or designee), director of the Office of Management and Enterprise Services (or designee), director of the Oklahoma Department of Career and Technology Education (or designee), State Treasurer (or designee), two appointed by the governor with Senate approval, four appointed by the governor, two appointed by the president pro tempore of the Senate, two appointed by the speaker of the House of Representatives and one retired educators representative. The system was audited by other independent auditors for the year ended June 30, 2022, and their report, dated October 12, 2022, and has been previously issued under separate cover.

### **Related Organizations and Related Parties**

Organizations, for which a primary government is accountable because the state appoints a voting majority of the board, but is not financially accountable, are considered to be related organizations. The Oklahoma Ordnance Works Authority is a related organization of the state. The state appoints a voting majority of the Trustees of the Oklahoma Ordnance Works Authority but has no further accountability.

### **B. Government-Wide and Fund Financial Statements**

The Government-Wide Financial Statements (the Statement of Net Position and the Statement of Activities) report information for all the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these Government-Wide Financial Statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function, segment, or component unit are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function, segment, or component unit. Program revenues include charges to customers who purchase, use or directly benefit from goods or services provided by a given function, segment, or component unit. Program revenues also include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function, segment, or component unit. Taxes and other items not properly included among program revenues are reported instead as general revenues. Resources that are dedicated internally are reported as general revenues rather than as program revenues. The state does not allocate general government (indirect) expenses to other functions.

Net position is restricted when constraints placed on it is either externally imposed or are imposed by constitutional provisions or enabling legislation. Internally imposed designations of resources are not presented as restricted net position. When both restricted and unrestricted resources are available for use, generally it is the state's policy to use restricted resources first, then unrestricted resources as they are needed.

Separate financial statements are provided for governmental funds, proprietary funds, fiduciary funds and similar component units, and major component units. However, the fiduciary funds are not included in the Government-Wide Financial Statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

### **C. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

**Government-Wide Financial Statements** – The Government-Wide Financial Statements are reported using the economic resources measurement focus and the accrual 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Interfund services provided and used are not eliminated in the process of consolidation.

**Governmental Fund Financial Statements** – The Governmental Fund Financial Statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the state considers revenues to be available if they are collected within sixty days of the end of the current fiscal year end. Principal revenue sources considered susceptible to accrual include federal grants, interest on investments, sales and income taxes, and lease payments receivable. Some revenue items that are considered measurable and available to finance operations during the year from an accounting perspective are not available for expenditure due to the state's present appropriation system. These revenues have been accrued in accordance with GAAP since they have been earned and are expected to be collected within sixty days of the end of the period. Other revenues are considered measurable and available only when cash is received by the state.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Modifications to the accrual basis of accounting include:

- Employees' vested annual leave is recorded as an expenditure as it is utilized. Unused reimbursable leave following an employee's resignation or retirement that is unpaid at year end is recognized as an expenditure and a liability of the fund.
- Interest on general long-term obligations is recognized when paid.
- Executory purchase orders and contracts are recorded as a commitment of fund balance.
- Debt service expenditures and claims and judgments are recorded only when payment is due.

**Proprietary Funds, Fiduciary Funds and Similar Component Units, and Component Unit Financial Statements** – The financial statements of the proprietary funds, fiduciary funds and similar component units, and component units are reported using the economic resources measurement focus and the accrual basis of accounting, similar to the Government-Wide Financial Statements described above.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The principal operating revenues of the state's enterprise funds are requisitioned from the Oklahoma Unemployment Insurance Trust Fund held by the U.S. Treasury for payment of unemployment benefits, monthly premiums for self-funded insurance benefits provided to statutorily defined state employees by the Employees Group Insurance Department, interest revenue charges for loans made to local entities by the Oklahoma Water Resources Board, and the sale of lottery tickets and related chance games by the Lottery Commission. The Oklahoma Water Resources Board reports federal grants as both operating and nonoperating, depending on the types of grants received.

### **D. Fund Accounting**

The financial activities of the state are recorded in individual funds, each of which is deemed to be a separate accounting entity. The state uses fund accounting to report on its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

The financial activities of the state that are reported in the accompanying financial statements have been classified into the following major governmental and proprietary funds. In addition, a description of the fiduciary and component units follows:

## 1. Governmental Funds

**General Fund** - This fund accounts for all activities of the state not specifically required to be accounted for in other funds. Included are transactions for services such as education, general government, health services, legal and judiciary, museums, natural resources, public safety and defense, regulatory services, social services, and transportation. Debt service transactions and related cash balances are reported in the general fund with balances held to service imminent debt activity presented as a component of restricted fund balance.

**Commissioners of the Land Office Permanent Fund** – This fund accounts for the land and cash granted to the state by the United States Congress for the use and benefit of educational systems in Oklahoma. This fund’s assets are held by the state and only the income derived from the principal may be expended for designated operations. The principal must be preserved intact, and all net position for the fund is considered nonexpendable.

**Department of Wildlife Conservation Permanent Fund** – This fund accounts for monies held in trust for the improvement and preservation of wildlife. The monies have been accumulated from the sale of lifetime hunting and fishing licenses. This fund’s assets are held by the state and only the income derived from the principal may be expended for designated operations. The principal must be preserved intact, and all net position for the fund is considered nonexpendable.

**Tobacco Settlement Endowment Permanent Fund** – This fund accounts for certain monies transferred from the general fund that were received in settlement of claims by the state against tobacco manufacturers. The earnings from these monies are to be utilized for research, education, prevention and treatment of tobacco related diseases and certain other health programs. The principal must be preserved intact.

## 2. Proprietary Funds

These funds account for those activities for which the intent of management is to recover, primarily through user charges, the cost of providing goods or services to the general public, or where sound financial management dictates that periodic determinations of results of operations are appropriate.

**Employees Group Insurance Division of the Office of Management and Enterprise Services** provides group health, life, dental, disability and other benefits to active state employees and local government employees, as well as varying coverages for active education employees and certain participants of the state’s retirement systems, survivors, and persons covered by the Consolidated Omnibus Reconciliation Act of 1985. Coverages are funded by monthly premiums paid by employers and employees.

**Employment Security Commission Enterprise Fund** - This fund accounts for the deposit of monies requisitioned from the Unemployment Insurance Trust Fund held by the U.S. Treasury for payment of unemployment benefits and administrative costs.

**Oklahoma Water Resources Board Enterprise Fund** - This fund is comprised of Oklahoma Water Resources Board and the Department of Environmental Quality bond issues and revolving loan programs. These programs make loans to local government units for the acquisition, development, and utilization of storage and control facilities for water and sewage systems.

**Oklahoma Lottery Commission Enterprise Fund** – This fund operates the state-wide lottery program and related chance games, seeking to generate additional revenues for the benefit of the state’s educational system.

### 3. **Fiduciary Funds and Similar Component Units**

The state presents as fiduciary funds those activities that account for assets held in a trustee capacity or as an agent for individuals, private organizations, or other governmental units.

**Pension (and Other Employee Benefit) Trust Funds** - These funds account for the transactions, assets, liabilities, and net position of the Wildlife Conservation Retirement Plan in the primary government, and six public employee retirement systems that meet the definition of a component unit of the state.

**Custodial Funds** - These funds account for the assets held, primarily taxes collected, for distribution by the state as an agent for other governmental units, other organizations or individuals.

### 4. **Component Units**

These entities are legally separate from the state but are considered part of the reporting entity. These funds meet the definition of both a component unit and that of an enterprise fund as previously described. The six public employee retirement systems meet the definition of a component unit but are presented with the other fiduciary funds of the state.

### 5. **Financial Statement Reporting Periods**

The accompanying financial statements of the state are presented as of June 30, 2022, and for the year then ended, except for the following funds and entities which were audited by other independent auditors.

Multiple Injury Trust Fund	12-31-21
Employees Group Insurance Department	12-31-21
Oklahoma Turnpike Authority	12-31-21
Grand River Dam Authority	12-31-21
Oklahoma Municipal Power Authority	12-31-21
Oklahoma Housing Finance Agency	09-30-21

### E. **Budgeting and Budgetary Control**

The state's annual budget is prepared on the cash basis utilizing encumbrance accounting. Encumbrances represent executed but unperformed purchase orders. In the accompanying financial statements, encumbrances are recorded as expenditures for budgetary purposes if expected to be presented for payment by November 15 following the end of the fiscal year and as a component of either restricted or committed fund balance for GAAP purposes. Since the budgetary basis differs from GAAP, budget and actual amounts in the accompanying Required Supplementary Information – Budgetary Schedules are presented on the budgetary basis. A reconciliation of revenues in excess of (less than) expenditures and other financing sources (uses) on a budgetary basis on June 30, 2022, to revenues in excess of (less than) expenditures and other financing sources (uses) presented in conformity with GAAP is set forth in the Notes to Required Supplementary Information.

The governor prepares and submits to the legislature at the beginning of each annual legislative session a balanced budget based on budget requests prepared by the various state agencies. The general fund is the only fund for which an annual budget is legally adopted. Budgeted expenditures cannot exceed the amount available for appropriation as certified by the Oklahoma State Board of Equalization. The legislature may modify the governor's proposed budget as it deems necessary and legally enacts an annual state budget through the passage of appropriation bills. The governor has the power to approve or veto each line-item appropriation.

The legal level of budgetary control is maintained at the line-item level (i.e., general operations, duties, etc.) identified in the appropriation acts. Budgets may be modified subject to statutory limits on transfers. The Director of the Office of Management and Enterprise Services can approve transfers of up to 25% between line items. The Contingency Review Board (a three-member board comprised of the governor, the president pro tempore of the Senate, and the Speaker of the House of Representatives) can approve transfers between line items of up to 40%. All transfers are subject to review by the Joint Legislative Committee on Budget and Program Oversight to determine if the transfer tends to effectuate or subvert the intention and objectives of the legislature.

Current policy allows agencies to use unexpended monies for one-time purchases or non-recurring expenditures in the next fiscal year. This policy provides an incentive for agency managers to distribute resources efficiently; however, it is subject to annual approval by the legislature. Unexpended balances not carried forward to the new fiscal year by November 15 may: 1) lapse to unrestricted balances and be available for future appropriation, 2) lapse to restricted balances and be available for future appropriations restricted for specific purposes as defined by statute, or 3) be non-fiscal, and may be spent from one to thirty months from the date of appropriation.

If revenue collections from appropriated funding sources are not sufficient to cover appropriations from the general revenue fund, the Director of the Office of Management and Enterprise Services is required to reduce the budget by the amount of such deficiency as verified by the Oklahoma State Board of Equalization. Any other changes to the budget must be approved by the legislature. All fiscal year 2022 appropriated line items were within their authorized spending level.

#### **F. Cash and Cash Equivalents**

The state uses a pooled cash concept in maintaining its bank accounts. All cash is pooled for operating and investment purposes and each fund has relative equity in the pooled amount. For reporting purposes, cash and related time deposits have been allocated to each fund based on its equity in the pooled amount. Interest earned on investments is allocated to the general fund except for those investments made specifically for the proprietary fund type, fiduciary fund type, proprietary component units, and higher education component unit, for each of which investment revenue is allocated to the investing fund.

The State Treasurer requires that financial institutions deposit collateral securities to secure the deposits of the state in each such institution. The State Treasurer also promulgates all rules and regulations regarding the amount of collateral securities that must be pledged to secure public deposits.

The Oklahoma Employment Security Commission Trust Fund is maintained to account for the collection of unemployment contributions from employers and the payment of unemployment benefits to eligible claimants. As required by federal law, all resources not necessary for current benefit payments are placed on deposit with the U.S. Treasury. Interest from these resources is retained in the fund.

For purposes of reporting cash flows, cash equivalents are defined as short-term, highly liquid investments with a maturity of three months or less that are readily convertible to cash.

#### **G. Investments**

Investments, which may be restricted by law or legal instruments, are under control of either the State Treasurer or other administrative bodies as determined by law.

Generally accepted accounting principles establish a fair value hierarchy for the determination and measurement of fair value. This hierarchy is based on the type of valuation inputs needed to measure the fair value of an asset. The hierarchy generally is as follows:

1. Level 1 – Unadjusted quoted prices in active markets for identical assets
2. Level 2 – Quoted prices for similar assets, or inputs that are observable or other forms of market corroborated inputs
3. Level 3 – Pricing based on best available information, including primarily unobservable inputs and assumptions market participants would use in pricing the asset

## **H. Receivables**

Accounts receivable in all funds report amounts that have arisen in the ordinary course of business and are stated net of allowances for uncollectible amounts.

Governmental fund type receivables consist primarily of amounts due from the federal government. Interest and investment revenue receivable in all funds consist of revenues due on each investment. Taxes receivable in governmental funds represent taxes subject to accrual, primarily income taxes and sales taxes. Lease payments receivable in the general fund consists primarily of capital lease payments due for equipment and railroad lines owned by the Department of Transportation. Collectability of these lease payments is reasonably assured and no allowance for uncollectible amounts has been established.

Taxes receivable in enterprise funds represents unemployment taxes due at year end, net of an allowance for uncollectible amounts. The uncollectible amounts are based on collection experience and a review of the status of existing receivables.

## **I. Inter/Intrafund Transactions**

**Interfund Transactions** - The state has two types of interfund transactions:

- Services rendered transactions are accounted for as revenues and expenditures or expenses in the funds involved.
- Operating appropriations/subsidies are accounted for as transfers in the funds involved.

**Intrafund Transactions** - Intrafund transfers, as a result of contracts among departments and/or agencies within the same fund, are considered expenditures by the contractor and revenues by the contractor for budgetary purposes. The Required Supplementary Information – Budgetary Schedules includes these transactions. However, as a general rule recorded intrafund revenues and expenditures have been eliminated in the GAAP-basis Government-Wide Financial Statements. A portion of motor fuel excise taxes collected on fuels consumed on the state's turnpikes is made available to the Oklahoma Turnpike Authority (OTA) from the Oklahoma Tax Commission. These taxes are apportioned to OTA monthly to fund debt service, but only to the extent amounts are not otherwise available to OTA. If the motor fuel excise taxes apportioned to OTA are not needed in the month of apportionment, the taxes are transferred to the Department of Transportation (DOT). Before these monthly transfers were mandated, a balance owed to DOT had accumulated and at year end this balance is presented as a noncurrent due to other funds on the financial statements of OTA.

## **J. Inventories and Prepaid Expenses**

Inventories of materials and supplies are determined both by physical counts and through perpetual inventory systems. Generally, inventories are valued at cost and predominantly on either the first-in first-out or weighted average basis. Inventories of federal surplus properties are valued at a percentage of federal acquisition cost. General fund inventories are recorded as expenditures when consumed rather than when purchased by recording adjustments to the inventory account on the balance sheet. The general fund inventories on hand at year-end are reflected as a component of nonspendable fund balance on the balance sheet.

Higher education component unit inventories are stated at the lower of cost or market, with cost being determined on either the first-in first-out or average cost basis.

Prepaid expenses are recorded using the “purchases method,” meaning that they are initially recorded as expenditures. At fiscal year-end, significant amounts of prepaid expenditures are shown as a component of nonspendable fund balance, indicating they do not constitute available expendable resources.

## **K. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (which are normally immovable and of value only to the state, such as roads, bridges, streets and sidewalks, drainage systems, lighting systems, and similar items), are reported in the applicable governmental or business-type activities columns in the Government-Wide Financial Statements. Capital assets are defined by the state as assets which have a cost of \$25,000 or more at the date of acquisition and have an expected useful life of five or more years. Purchased and constructed capital assets are valued at historical cost or estimated historical cost. Capital assets received in a service concession arrangement are reported at acquisition value, rather than fair value. Donated capital assets are recorded at their acquisition value, rather than fair value.

The estimates of historical costs of buildings and other improvements were based on appraised value, as of August 4, 1994, indexed to the date of acquisition. Infrastructure constructed prior to July 1, 2000, was recorded at estimated historical cost. The estimated historical cost for years 1916-2000 was based on capital outlay expenditures reported by DOT and the Federal Highway Administration, less an amount estimated for the historical cost of the acquisition of land for right-of-way. The costs of normal maintenance and repairs that do not add to the asset's value or materially extend an asset's useful life are not capitalized. Interest incurred during construction of capital facilities is not capitalized.

Capital assets utilized in the governmental funds are recorded as expenditures in the Governmental Fund Financial Statements. Depreciation expense is recorded in the Government-Wide Financial Statements, as well as the proprietary funds and component unit's financial statements.

Capital assets of the primary government and the component units are depreciated on the straight-line method over the assets' estimated useful life. There is no depreciation recorded for land and construction in progress. Generally, estimated useful lives are as follows:

Machinery and Equipment	3 - 20 years
Buildings and Other Improvements	7 - 60 years
Infrastructure	30 years

Collections and works of art are not included in capital assets of the primary government on the Government-Wide Statement of Net Position. GASB Statement number 34 does not require capitalization of collections if they meet all of the following criteria: held for public exhibition, education, or research in furtherance of service, rather than financial gain; protected, kept unencumbered, cared for, and preserved; and subject to an organizational policy that requires the proceeds from sales of collection items to be used to acquire other items for collections. The state elected not to capitalize collections and works of art since they meet all the above conditions.

## **L. Other Assets**

Included in other assets (noncurrent for component units) are costs to be recovered from future revenues. Certain items included in the operating costs of Grand River Dam Authority, an unregulated enterprise, are recovered through rates set by the Board of Directors. Recognition of these costs, primarily depreciation on debt funded capital assets, amortization of debt discount and expense, and amortization of losses on advance refunding of long-term debt, is deferred to the extent that such costs will be included in rates charged in future years. The Oklahoma Municipal Power Authority enters into power sales contracts with participating municipalities that provide for billings to those municipalities for output and services of the projects. Revenues from these contracts provide for payment of current operating and maintenance expenses (excluding depreciation and amortization), as well as payment of scheduled debt principal and interest, and deposits into certain funds as prescribed in the bond resolutions. For financial reporting purposes, Oklahoma Municipal Power Authority currently recognizes depreciation of assets financed by bond principal and amortization expense. The difference between current operating expenses and the amounts currently billed under the terms of the power sales contracts are delayed to future periods in which these amounts will be recovered through revenues.



## **M. Unearned/Unavailable Revenue**

Unearned revenues at the fund level arise when potential revenue does not meet the available criterion for recognition in the current period. Unearned revenues also arise when resources are received by the state before it has a legal claim to them. Also included in unearned revenue at both levels are the undistributed food commodity inventories. In subsequent periods, when the revenue recognition criterion is met, or when the state has a legal claim to the resources, the liability for unearned revenue is removed from the combined statement of net position or statement of fund balance, and revenue is recognized.

During fiscal year 2022, the state received \$32,000 from the federal government's Coronavirus Relief Fund to distribute for coronavirus relief efforts. At the end of the prior fiscal year, \$80,213,000 remained in undisbursed funds. Disbursements of \$50,007,000 were made to cities, counties, and state agencies for qualified expenses. The remaining \$30,239,000 in undisbursed funds have been classified as unearned revenue.

The state also received \$49,852,000 in Emergency Rental Assistance Program funds from the federal government for fiscal year 2022. At the end of the prior fiscal year, \$239,530,000 remained in undisbursed funds. Disbursements of \$239,530,000 were used to assist eligible households having difficulty with timely rent and utility payments due to the coronavirus pandemic. The remaining \$49,852,000 in undisbursed funds have been classified as unearned revenue.

The state additionally began to receive \$936,167,000 in Coronavirus State and Local Fiscal Recovery Funds from the federal government for fiscal year 2022. Disbursements of \$5,042,000 were transferred to respond to the COVID-19 public health emergency or its negative economic impacts. The remaining \$931,126,000 in undisbursed funds have been classified as unearned revenue.

Medical, public health, economic support and other related expenses incurred and reasonably necessary in respect to this national health emergency are eligible for reimbursement.

Available revenue is defined as due (or past due) on June 30 and collected within sixty days thereafter to pay obligations due on June 30. Revenue that is not collected within sixty days of fiscal year end is classified as unavailable and recorded as a deferred inflow on the statement of fund balance.

## **N. Compensated Absences**

Employees earn annual vacation leave at the average rate of 10 hours per month for the first 5 years of service, 12 hours per month for service of 5 to 10 years, 13.33 hours per month for service of 10 to 20 years, and 16.67 hours per month for over 20 years of service. Unused annual leave may be accumulated to a maximum of 240 hours for employees with less than 5 years of continuous service or 480 hours for employees with 5 years or more of continuous service. All accrued annual leave is payable upon termination, resignation, retirement, or death. The Governmental Fund Financial Statements record expenditures when employees are paid for leave. The Government-Wide Financial Statements present the cost of accumulated vacation leave as a liability. The liability is valued based on current rate of pay. There is no liability for unpaid accumulated sick leave since the state does not have a policy to pay this amount when employees separate from service.

## **O. Risk Management**

The Risk Management Division of the Office of Management and Enterprise Services is responsible for the acquisition and administration of all insurance purchased by the state, or administration of any self-insurance plans and programs adopted for use by the state or for certain organizations and bodies outside of state government, at the sole expense of such organizations and bodies.

The Risk Management Division is authorized to settle claims of the state and oversee the dispensation and/or settlement of claims against a state political subdivision. In no event shall self-insurance coverage exceed the limitations on the maximum dollar amount of liability specified by the Oklahoma Governmental Tort Claims Act. The Risk Management Department oversees the collection of liability claims owed to the state incurred as the result of a loss through the wrongful or negligent act of a private person or other entity.

The Risk Management Division is also charged with the responsibility to immediately notify the Attorney General of any claims against the state presented to Risk Management.

**P. Federal Grants**

In addition to monetary transactions, federal grants also include non-monetary transactions for surplus inventory, supplemental nutrition, food, and other commodities. Surplus inventory is valued at a percentage of government acquisition cost. Supplemental nutrition is valued at the benefit value. Commodities are valued at their federally reported value in the general fund.

**Q. Long-Term Obligations**

**Premiums, Discounts, and Issuance Costs** – In the Government-Wide Financial Statements, long-term debt and other long-term obligations are presented in the columns for governmental and business-type activities. The same is presented in the Proprietary Fund Financial Statements. Bond and note premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the debt. Bonds and notes payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported in the period incurred.

In the Governmental Fund Financial Statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures in the period incurred.

**Arbitrage Rebate Liability** – The enterprise funds and component units account for any arbitrage rebate payable as a liability of the fund.

**R. Governmental Fund – Fund Balance**

The Governmental Fund Financial Statements present fund balance at the aggregate level of detail within the categories defined by GASB Statement number 54, Fund Balance Reporting and Governmental Fund Type Definitions. Refer to Note 12 for further discussion.

**S. Deficit Fund Balance – Multiple Injury Trust Fund**

The Multiple Injury Trust Fund (MITF), a component unit, continues to operate in a deficit situation. MITF had total net liabilities (negative net position) of \$437,017,000 on December 31, 2021. Legislation was passed in May 2000 providing new funding for MITF through an assessment on gross premiums on workers compensation policies written by insurance carriers and an assessment on disability awards paid by self-insured employers, and further limits future awards against MITF to claimants that timely filed injury claims that occurred before June 1, 2000, against their employer. These claimants have no time limitation for filing against MITF. No new claims related to injuries subsequent to June 1, 2000, can be filed. Funding is to continue until the Workers' Compensation Commission certifies that there are sufficient funds to satisfy all outstanding obligations of MITF.

**T. Pollution Remediation Obligations**

During the fiscal year ended June 30, 2022, two agencies incurred expenses of \$475,000 for pollution obligations related to hazardous material on highways and asbestos removal, where clean-up is generally required to comply with federal regulations. This type of remediation is generally a control obligation performed as part of current operations during road construction or building renovation. There was also a liability incurred of \$2,409,000 which is included in accounts payable on the Government-Wide Financial Statements.

Pollution remediation obligation is determined by the agency responsible for performing the remediation. These estimates are subject to revision because of price increases or reductions, changes in technology, or changes in applicable laws or regulations. There are currently no expectations of cost recoveries from ongoing projects.

## Note 2. Deposits and Investments

The State Treasurer maintains two investment portfolios. The treasurer's portfolio is used to manage the investments of all state monies that are under the control of the treasurer where earnings accrue to the general fund of the state. The State Agency Portfolio is used for the investment of a limited number of state agencies specifically authorized by statute to direct the activities of certain funds and accounts where the earnings accrue to those funds and accounts. Ancillary to the treasurer's portfolio is an internal investment pool, OK INVEST, for all state funds and agencies that are considered part of the State of Oklahoma. All cash balances held through the State Treasurer for the primary government, component units and fiduciary funds earn a return through the OK INVEST pool program.

In accordance with statutes, the State Treasurer's investment policy allows for investments in the following categories:

United States Treasury bills, notes and bonds	Collateralized or insured certificates of deposit
United States government agency securities	Negotiable certificates of deposit
Investment grade obligations of state and local governments	Prime commercial paper
Short-term bond funds	Repurchase agreements
Foreign bonds	Money market funds

The State Treasurer's investment policy attempts to reduce portfolio risk through diversification by security, institution, and maturity. Except for U.S. Treasury securities, no more than 50% of the state's total funds available for investment will be invested in a single security or with a single financial institution. In addition, the treasurer's investments will not have an average maturity greater than 4 years unless otherwise specifically designated by the treasurer. The following table outlines the State Treasurer's diversification limits designed to control various types of risk:

**State Treasurer Investment Policy Diversification Limits**

Investment Type	Percentage of Total Invested	Percentage of Total by Issuer	Maturity Limit	Rating
Treasuries	No Limit	No Limit	10 Years	Aaa,AAA
U.S. Government Agency Securities	50%	35%	10 Years	Aaa,AAA
U.S. Government Agency Mortgage Backed Securities	45%	No Limit	7 Years	Aaa,AAA
Collateralized or Insured Certificates of Deposit	No Limit	\$20 Million	365 Days	No Limit
Negotiable Certificates of Deposit	7.5%	2.5%	180 Days	A-1 & P-1
Commercial Paper	3%	2.5%	180 Days	A-1 & P-1
State and Local Government Obligations	10%	5%	30 Years	Securities must not be less than investment grade at purchase
Repurchase and Tri-party Repurchase Agreements	10%	5%	14 Days	A-1 minimum rating or equivalent
Money Market Mutual Funds	30%	10%	N/A	AAAm
Foreign Bonds	2.5%	Must be listed as an industrialized country by the International Monetary Fund	5 Years	A-/A3 or better

The primary government's three permanent funds, Commissioners of the Land Office, Department of Wildlife Lifetime Licenses, and the Tobacco Settlement Endowment all have investment goals and horizons that differ from the State Treasurer. Accordingly, the investment policies for the permanent funds allow for broader classes of investments as well as extended dates of maturity.

The Employment Security Commission, Water Resources Board, Office of Management and Enterprise Services-Employees Group Insurance Division and Lottery Commission are the four business-type activities within the primary government. These agencies generally have investment policies that correlate to the operations and services that they perform. The Employment Security Commission generally will not invest outside of U.S. government securities and typically maintains deposit balances only. The Water Resources Board, Employees Group Insurance Division and Lottery Commission all operate with longer investment horizons, and as part of normal operations, will attempt to match maturities of investments with the approaching maturity of liabilities.

Due to the nature of the internal investment pool, ownership of investments cannot be assigned to individual funds, including the pension trust funds and component units. The investment pool also holds securities purchased with cash collateral from securities lending, which are not assigned to individual funds. For these reasons, total investments will not

agree to the financial statements for the primary government. The following table details the investments held by the primary government on June 30, 2022 (expressed in thousands):

### Investments – Primary Government

Investment Type	Government Administration	Permanent Funds	Business-Type Activities	Total Primary Government
<b>POOLED INVESTMENTS</b>				
U.S. Agency & Treasury	\$ 11,026,226	\$ 9,750	\$ -	\$ 11,035,976
Money Market Mutual Funds	594,825	10,890	-	605,715
Securities Lending Collateral Pool	920,873	182,832	-	1,103,705
Mutual Funds	-	43,628	-	43,628
Certificates of Deposit & Commercial Paper	46,524	-	-	46,524
State & Muni Bond Issues	40,991	2,606	-	43,597
Foreign Corporate Bonds	45,576	-	-	45,576
<b>NON-POOLED INVESTMENTS</b>				
U.S. Agency & Treasury	341	440,393	144,096	584,830
Domestic Corporate Bonds	-	853,829	95,570	949,399
Foreign Corporate Bonds	-	237,899	-	237,899
Domestic Equities	58,872	1,345,984	170,608	1,575,464
Foreign Equities	-	434,153	-	434,153
Other	888	720,556	54,658	776,102
Money Market Mutual Funds	163	-	-	163
Totals	\$ 12,735,279	\$ 4,282,520	\$ 464,932	\$ 17,482,731

The primary government categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The primary government uses the market approach for valuation purposes. The following table details the fair value of investments held by the primary government on June 30, 2022 (expressed in thousands):

	<b>Primary Government Fair Value Measurements at Reporting Date Using</b>			
	Amounts Measured At Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Investments Measured by Fair Value</b>				
<b>Debt Securities</b>				
U.S. Treasury, Agency & Municipal Securities	\$ 11,664,403	\$ 4,566,379	\$ 7,098,024	\$ -
Certificates of Deposit & Commercial Paper	46,524	46,524	-	-
U.S. Corporate Debt	949,399	-	948,622	777
Foreign Corporate Bonds	283,475	-	237,899	45,576
<b>Equity Securities</b>				
U.S. Domestic Equities	1,149,466	1,149,407	59	-
Foreign Equities	221,547	221,547	-	-
Mutual Funds	43,628	43,628	-	-
Other	556,846	191,544	213,521	151,781
<b>Total Investments Measured at Fair Value</b>	\$ 14,915,288			
<b>Investments Measured at Amortized Cost</b>	\$ 605,878			
<b>Investments Measured at Net Asset Value</b>	\$ 857,860			

## Fiduciary Funds and Similar Component Units

The fiduciary funds of the state have investment goals that vary significantly from the primary government. Due to the long-term nature of these funds, investment options are broader, and maturities can be longer than that of the primary government. These funds generally have investment policies allowing for investments in stocks, bonds, fixed income securities and other investment securities including commingled, mutual and index funds. Generally, policies allow for a portion of investments to be held in securities of foreign companies and countries. Policies also allow for portions of the total portfolio to be held in derivative instrument and derivative-like instrument investments such as U.S. Treasury STRIPS (Separate Trading of Registered Interest and Principal of Securities), collateralized mortgage obligations, convertible securities, and variable rate instruments.

The fiduciary funds categorize fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The valuation techniques vary based upon investment type and involve a certain degree of expert judgment. The following table details the fair value of investments held by the fiduciary funds on June 30, 2022 (expressed in thousands):

	<b>Pension Trust Funds Fair Value Measurements at Reporting Date Using</b>			
	<b>Amounts Measured At Fair Value</b>	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
<b>Investments Measured by Fair Value</b>				
<b>Debt Securities</b>				
U.S. Treasury, Agency & Municipal Securities	\$ 4,093,869	\$ 95,081	\$ 3,986,145	\$ 12,643
U.S. Corporate Debt	4,497,592	-	4,341,954	155,638
Foreign Corporate Bonds	557,624	214,652	167,407	175,565
<b>Equity Securities</b>				
U.S. Domestic Equities	15,101,148	13,123,978	1,967,867	9,303
Foreign Equities	1,960,952	1,238,152	722,800	-
Other	1,367,770	10,462	1,839	1,355,469
<b>Total Investments Measured at Fair Value</b>	<b>\$ 27,578,955</b>			
<b>Investments Measured at Net Asset Value</b>	<b>\$ 9,774,392</b>			

## Component Units

The component units of the state have varied investment goals based on the demands of their specific enterprise, and commonly have investment policies that allow for broader asset classes and longer maturities than that of the primary government. Various finance authorities invest in attempt to match targeted returns to the maturity of liabilities. The higher education component unit is comprised of numerous foundations that invest to maximize gains for the institutions that they support. These foundations may also hold assets of different classes as part of donor restrictions and covenants. The component units categorize fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The valuation techniques vary based upon investment type and involve a certain degree of expert judgment. The following table details the fair value of investments held by component units on June 30, 2022 (expressed in thousands):

	Component Units Fair Value Measurements at Reporting Date Using			
	Amounts Measured At Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Investments Measured by Fair Value</b>				
Debt Securities				
U.S. Treasury, Agency & Municipal Securities	\$ 994,156	\$ 696,535	\$ 297,621	\$ -
U.S. Corporate Debt	220,921	178,030	42,891	-
Foreign Corporate Bonds	53,868	8,900	44,968	-
Equity Securities				
U.S. Domestic Equities	1,500,794	1,177,115	50,239	273,440
Foreign Equities	87,744	87,744	-	-
Other	859,658	48,371	437,143	374,144
<b>Total Investments Measured at Fair Value</b>	<b>\$ 3,717,141</b>			
<b>Investments Measured at Amortized Cost</b>	<b>\$ 422,619</b>			
<b>Investments Measured at Net Asset Value</b>	<b>\$ 2,560,019</b>			

## A. Custodial Credit Risk

Custodial Credit Risk is the risk that in the event of the failure of the counterparty, the state will not be able to recover the value of its investments. Deposits are exposed to custodial credit risk if they are uninsured and uncollateralized. Investment securities are exposed to custodial credit risk if they are uninsured, not registered in the name of the state, or held by the counterparty or its trust department but not in the state's name.

### Primary Government

The State Treasurer requires that financial institutions deposit collateral securities to secure the deposits of the state in each such institution. The dollar amount of collateral securities to be pledged for the security of public deposits is established by rules promulgated by the State Treasurer. In accordance with the Office of State Treasurer's policies, the collateral securities to be pledged by financial institutions through the Office of the State Treasurer are pledged at market value and must be at 110% of value to collateralize the amount on deposit, less any federal insurance coverage. All investments held by the State Treasurer are insured, registered, or held in the name of the State Treasurer.

As of June 30, 2022, the primary government's bank balances of deposits are fully insured or collateralized with securities held by an agent of the state in the state's name. In addition to these deposits, the state has approximately \$547,051,000 on deposit with the U.S. government. These funds represent unemployment insurance taxes collected from Oklahoma employers that are held by the U.S. Treasury. The book value of deposits does not materially differ from the bank balance.

### Fiduciary Funds and Similar Component Units

The pension trust funds, fiduciary component units of the state, have investment policies that do not specifically address custodial credit risk of deposits and investments. However, each pension trust fund utilizes multiple investment managers and limits cash and short-term investments to no more than 5% of each investment manager's portfolio. On June 30, 2022, the pension trust funds had deposits and cash equivalents of \$868,424,000 of which \$36,268,000 were uninsured and uncollateralized.

### Component Units

Generally, the component units of the state have investment policies that do not specifically address or limit custodial credit risk of deposits and investments. All component units typically follow the diversification and securitization of deposit policies defined by the State Treasurer to minimize custodial credit risk.

## B. Credit Risk

Fixed-income securities are subject to credit risk. Credit quality rating is one method of assessing the debt instrument issuer's ability to meet its obligation. The state, its fiduciary funds and component units utilize the credit quality ratings issued by Moody's, Standard and Poor's (S&P), or Fitch in determining the risk associated with its fixed-income investments. Obligations of the U.S. government or those explicitly guaranteed by the U.S. government are not considered to have credit risk. Certain debt instruments are commingled investments that do not have an applicable credit risk rating. These investments are presented as not rated in the accompanying tables.

### Primary Government

As outlined in an earlier table, the State Treasurer seeks to hold investments with a rating of A or higher as rated by Moody's. Generally, the permanent funds and the business-type activities seek to maintain the same or higher rating. The Water Resources Board, which has a high concentration of investments with one issuer, requires that issuer to maintain an average credit rating of AA or higher. Should this issuer's rating fall below AA, it is required to collateralize the guaranteed investments sufficient to maintain an AA rating on the contracts. On June 30, 2022, the primary government had the following investments subject to credit risk (expressed in thousands):

Credit Risk - Primary Government					
Investment Rating Moody's/S&P/Fitch	U.S. Treasury, Agency and Municipal Securities	International Government Securities	U.S. Corporate Debt Instruments	International Debt Instruments	Total
Aaa/AAA/AAA	\$ 8,656,379	\$ -	\$ 42,485	\$ -	\$ 8,698,864
Aa/AA/AA	3,588,532	1,016	36,973	960	3,627,481
A/A/A	7,712	442	68,484	27,892	104,530
Baa/BBB/BBB	2,652	2,607	293,935	99,251	398,445
Ba/BB/BB	-	1,214	189,070	52,072	242,356
B/B/B	-	238	145,594	32,069	177,901
Caa/CCC/CCC	-	146	5,565	2,236	7,947
Ca/CC/CC	-	993	238	-	1,231
C/C/C	-	-	148	-	148
Not Rated/Not Applicable	14,843	702	167,070	61,637	244,252
Total	\$ 12,270,118	\$ 7,358	\$ 949,562	\$ 276,117	\$ 13,503,155

### Fiduciary Funds and Similar Component Units

The pension trust funds typically hold a significant portion of assets in the form of debt instruments. Each pension trust fund has an investment policy governing their credit risk exposure. Generally, at the time of purchase, investments in domestic fixed-income investments must carry the highest rating either Aaa, (Moody's) or AAA, (S&P, Fitch) as determined by the national rating organizations. International debt instruments must be Baa or BBB at the time of purchase. Overall, each investment policy generally requires that an average credit quality rating of A or higher be maintained for total debt instrument holdings. On June 30, 2022, the pension trust funds had the following credit risk exposure (expressed in thousands):

Credit Risk - Pension Trust Funds					
Investment Rating Moody's/S&P/Fitch	U.S. Treasury, Agency and Municipal Securities	International Government Securities	U.S. Corporate Debt Instruments	International Debt Instruments	Total
Aaa/AAA/AAA	\$ 3,528,531	\$ 1,529	\$ 461,100	\$ -	\$ 3,991,160
Aa/AA/AA	28,135	1,012	91,586	60,007	180,740
A/A/A	14,224	2,267	608,377	73,160	698,028
Baa/BBB/BBB	40,561	21,530	1,516,269	-	1,578,360
Ba/BB/BB	36,442	7,738	742,980	-	787,160
B/B/B	11,278	164	407,224	122,749	541,415
Caa/CCC/CCC	371	-	72,995	-	73,366
Ca/CC/CC	383	-	2,582	-	2,965
D/D/D	-	-	2,650	-	2,650
Not Rated/Not Applicable	851,767	-	591,829	267,468	1,711,064
Total	\$ 4,511,692	\$ 34,240	\$ 4,497,592	\$ 523,384	\$ 9,566,908

## Component Units

The component units usually hold a significant portion of their respective portfolios in debt instruments. Each component unit has an investment policy governing credit risk. As a general rule, the component units have more liberal investment policies than the primary government that allow for greater levels of credit risk regarding debt securities. Foundations within the higher education component unit also hold a significant portion of their total debt portfolio as either bond funds or money market mutual funds. These debt instruments are generally pooled or commingled investments and are not subject to credit risk disclosures. Investments in U.S. government securities are not subject to credit risk. On June 30, 2022, the component units had the following credit risk exposure (expressed in thousands):

Investment Rating Moody's/S&P/Fitch	Credit Risk - Component Units				
	U.S. Treasury, Agency and Municipal Securities	International Government Securities	U.S. Corporate Debt Instruments	International Debt Instruments	Total
Aaa/AAA/AAA	\$ 997,127	\$ -	\$ 134,987	\$ -	\$ 1,132,114
Aa/AA/AA	987	-	27,580	-	28,567
Not Rated/Not Applicable	-	-	480,973	71,449	552,422
Total	\$ 998,114	\$ -	\$ 643,540	\$ 71,449	\$ 1,713,103

## C. Concentration of Credit Risk

### Primary Government

The State Treasurer's investment policy seeks to mitigate concentration of credit risk through targeted diversification limits as outlined earlier in this note. With the exception of U.S. Treasury securities, no more than 50% of the state's total funds available for investment will be invested in a single security type or with a single financial institution. The Water Resources Board, a business-type activity of the primary government, has no policy limiting amounts that may be invested in one issuer.

## D. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment or deposit. Duration is a measure of a debt instrument's exposure to fair value changes arising from changes in interest rates based on the present value of future cash flows, weighted for those cash flows as a percentage of the investment's full price. Modified duration estimates the sensitivity of a bond's price to interest rate changes. The state, its fiduciary funds, and component units use either duration, modified duration or weighted average years outstanding as the standard measures for assessing interest rate risk. Generally, the longer the duration or years outstanding, the greater sensitivity an investment has to interest rate risk.

### Primary Government

As outlined in a previous table, the State Treasurer follows an investment policy seeking to keep the average maturity for its entire portfolio to less than four years. The permanent funds and the business-type activities of the primary government do not have the same liquidity demands as the treasurer, and as a matter of policy are not as restrictive regarding maturities. On June 30, 2022, the primary government had the following investments with maturities (expressed in thousands):

Weighted Average Years to Maturity	Interest Rate Risk - Primary Government				
	U.S. Treasury, Agency and Municipal Securities	International Government Instruments	U.S. Corporate Debt Instruments	International Debt Instruments	Total
Less than 1 year Weighted Average to Maturity	\$ 606,156	\$ -	\$ 163	\$ 45,576	\$ 651,895
1 - 5 years	11,341,521	7,358	945,699	230,541	12,525,119
6 - 10 years	130,202	-	2,245	-	132,447
10 or more years	62,152	-	1,455	-	63,607
No Maturity or Not Applicable	130,087	-	-	-	130,087
Total	\$ 12,270,118	\$ 7,358	\$ 949,562	\$ 276,117	\$ 13,503,155



## Fiduciary Funds and Similar Component Units

The pension trust funds generally do not have a formal investment policy on interest rate risk. However, interest rate risk is generally controlled through diversification of portfolio management styles. Each pension trust fund reviews the performance of each investment manager, and monitors the interest rate risk as part of the performance assessment. On June 30, 2022, the pension trust funds had the following exposure to interest rate risk (expressed in thousands):

Interest Rate Risk - Pension Trust Funds					
	U.S. Treasury, Agency and Municipal Securities	International Government Securities	U.S. Corporate Debt Instruments	International Debt Instruments	Total
<b>Weighted Average Years to Maturity</b>					
Less than 1 year Weighted Average to Maturity	\$ 2,388	\$ -	\$ 16,678	\$ -	\$ 19,066
1 - 5 years	172,140	-	3,254,083	182,756	3,608,979
6 - 10 years	1,636,898	34,240	961,929	73,160	2,706,227
10 or more years	2,672,527	-	182,046	-	2,854,573
No Maturity or Not Applicable	27,739	-	82,856	267,468	378,063
Total	<u>\$ 4,511,692</u>	<u>\$ 34,240</u>	<u>\$ 4,497,592</u>	<u>\$ 523,384</u>	<u>\$ 9,566,908</u>

## Component Units

The state's component units typically have board approved investment policies designed to manage exposure to fair value losses that arise from interest rate risk. The policies of the various component units can differ significantly since each investment policy is designed to match the portfolio objectives for that component unit. A substantial portion of the component units' holdings in debt instruments is in money market mutual funds and bond mutual funds with demand maturities which are presented below as not having an applicable maturity. On June 30, 2022, the component units had the following interest rate risk exposure (expressed in thousands):

Interest Rate Risk - Component Units					
	U.S. Treasury, Agency and Municipal Securities	International Government Securities	U.S. Corporate Debt Instruments	International Debt Instruments	Total
<b>Weighted Average Years to Maturity</b>					
Less than 1 year Weighted Average to Maturity	\$ 47,105	\$ -	\$ 20,689	\$ -	\$ 67,794
1 - 5 years	565,653	-	63,529	-	629,182
6 - 10 years	76,266	-	83,619	-	159,885
10 or more years	11,986	-	12,440	-	24,426
No Maturity or Not Applicable	297,104	-	463,263	71,449	831,816
Total	<u>\$ 998,114</u>	<u>\$ -</u>	<u>\$ 643,540</u>	<u>\$ 71,449</u>	<u>\$ 1,713,103</u>

## E. Foreign Currency Risk

Foreign currency risk is the risk that changes in currency exchange rates will adversely affect the fair value of a deposit or investment. The state, its fiduciary funds and component units typically make investments in foreign securities to achieve an additional level of diversification within the various portfolios under management. Foreign currencies held as cash and cash equivalents are usually held to limit losses in foreign investments due to fluctuations in currency values.

## Primary Government

The general government is not invested in securities that are exposed to foreign currency risk; however, the permanent funds have policies that will typically allow a portion of the total portfolio to be invested in international securities in an effort to improve diversification and total returns. The business-type activity's investing policies do not specifically address foreign investments, and they will typically not hold any international securities. On June 30, 2022, the primary government had the following foreign currency risk (expressed in thousands):

### Foreign Currency Risk - Primary Government

Currency	Equities	Debt Instruments	Cash and Equivalents	Total
Argentine peso	\$ -	\$ 283	\$ -	\$ 283
Australian dollar	-	-	90	90
Bermudian dollar	2,760	785	-	3,545
Brazilian real	4,376	562	-	4,938
British pound sterling	55,746	3,029	397	59,172
Canadian dollar	5,621	3,083	48	8,752
Cayman dollar	11,548	569	-	12,117
CFA franc bceao	-	145	-	145
Colombian peso	-	80	5	85
Danish krone	3,752	-	-	3,752
Dominican peso	-	161	-	161
Egyptian pound	-	119	-	119
Emirati dirham	-	188	-	188
Euro	61,821	9,691	511	72,023
Hong Kong dollar	10,726	-	-	10,726
Indian rupee	4,692	-	-	4,692
Indonesian rupiah	-	1,000	52	1,052
International	-	1,375	-	1,375
Japanese yen	18,319	-	-	18,319
Jersey pound	111	108	-	219
Mexican nuevo peso	-	2,330	105	2,435
New Israeli sheqel	34	-	-	34
Nigerian naira	-	120	-	120
Norwegian krone	3,990	-	-	3,990
Panamanian balboa	-	528	-	528
Peruvian nuevo sol	-	418	-	418
Polish zloty	-	442	4	446
Romanian Leu	-	89	-	89
Russian ruble	-	1,536	-	1,536
South African rand	-	722	31	753
South Korean won	-	898	-	898
Swedish krona	4,929	214	-	5,143
Swiss franc	25,788	-	-	25,788
Thai baht	7,334	-	-	7,334
USD	-	157	-	157
West African Rand	-	82	-	82
<b>Totals</b>	<b>\$ 221,547</b>	<b>\$ 28,714</b>	<b>\$ 1,243</b>	<b>\$ 251,504</b>

### Fiduciary Funds and Similar Component Units

The pension and other employee benefit trust funds generally have investment policies regarding limits on the amount of foreign securities that can be held within their respective portfolios. The trust funds have a significantly longer time frame for achieving their investment goals, and investments in foreign securities offer an additional level of diversification, as well as provide the opportunity for increased returns. Typically, holdings in foreign currencies are used to limit losses on foreign securities due to currency fluctuations. The trust funds had the following foreign currency risk on June 30, 2022 (expressed in thousands):

### Foreign Currency Risk - Pension Trust Funds

Currency	Equities	Debt Instruments	Cash and Equivalents	Total
Argentine peso	\$ -	\$ 371	\$ 245	\$ 616
Australian dollar	87,306	-	-	87,306
Brazilian real	42,858	7,872	91	50,821
British pound sterling	571,876	(1,124)	1,959	572,711
Canadian dollar	179,993	(39)	59	180,013
Chinese yuan	46,897	-	76	46,973
Columbia peso	817	-	-	817
Danish krone	28,464	-	116	28,580
Emirati dirham	2,891	-	-	2,891
Euro	918,865	1,999	208	921,072
Hong Kong dollar	320,726	(1,304)	667	320,089
Hungarian forint	917	-	-	917
Indonesian rupiah	30,627	-	405	31,032
Japanese yen	560,660	(834)	1,354	561,180
Malaysian ringgit	7,416	-	5	7,421
Mexican peso	20,330	11,190	-	31,520
New Israeli shekel	11,409	-	-	11,409
New Taiwan dollar	110,989	-	-	110,989
New Turkish lira	-	-	243	243
New Zealand dollar	471	-	-	471
Norwegian krone	14,679	-	50	14,729
Philippines peso	874	-	1	875
Polish zloty	2,515	-	-	2,515
Qatari rial	1,588	281	-	1,869
Singapore dollar	43,234	(11)	15	43,238
South African rand	12,309	-	-	12,309
South Korean won	94,145	932	-	95,077
Swedish krona	60,398	(178)	180	60,400
Swiss franc	187,551	-	281	187,832
Thai baht	12,775	-	-	12,775
Turkish lira	7,181	(12)	12	7,181
Totals	<u>\$ 3,380,761</u>	<u>\$ 19,143</u>	<u>\$ 5,967</u>	<u>\$ 3,405,871</u>

#### Securities Lending Definition

In a securities lending transaction, securities are loaned to approved brokers through a securities lending agreement with a simultaneous agreement to return collateral for the same security in the future.

#### Securities Lending Activity - Primary Government

Oklahoma State Statute Title 62, Section 90, authorizes the Office of the State Treasurer to participate in securities lending transactions. All securities held by Northern Trust, as trustee or custodian, may be lent in the securities lending program unless specifically excluded by the Office of the State Treasurer.

During the fiscal year ended June 30, 2022, securities lending agents lent primarily U.S. government securities. Cash and U.S. government securities were provided as collateral for the securities lent. Generally, collateral must equal at least 100% of the fair value of the securities loaned. As of June 30 2022, there were no securities on loan. The collateral balance of \$920,873,000 represents cash collateral that is invested in U.S. government securities and is included as an asset on the balance sheet with an offsetting liability for the return of collateral.

As of June 30, 2022, there was no credit risk exposure to borrowers because the amounts the primary government owes the borrowers exceed the amounts the borrowers owe the primary government. Contracts with securities lending agents require them to indemnify the lender if the borrower fails to return the securities or otherwise fails to pay the lender for income while the securities are on loan. There were no losses on security lending transactions, or recoveries from prior period

losses, that resulted from the default of a borrower or the lending agent. Because these transactions are terminable at will, their duration generally did not match the duration of the investments made with cash collateral.

The Tobacco Settlement Endowment Trust Fund, a permanent fund, participates in securities lending as defined by its investment policy. During the year, the Tobacco Trust lent U.S. government securities, corporate debt, and domestic and foreign equities. Collateral was provided as cash for securities lent. Collateral must equal at least 102% of the market value of securities lent unless the principal market for the collateral is outside the United States, in which case a margin of 105% must be maintained. On June 30, 2022, the fair value of securities on loan was \$177,920,000. The collateral for securities lent had a market value of \$182,832,000. The investment made with cash collateral had an average maturity of one day and did not match the duration of the security on loan since the loans are terminable at will. There was no credit risk to borrowers.

### Securities Lending Activity - Fiduciary Funds and Similar Component Units

The six public employees retirement systems participate in securities lending transactions as provided by their respective investment policies. During the fiscal year ended June 30, 2022, securities lending agents lent primarily U.S. government securities, equity securities, and debt securities. Cash, U.S. government securities, and letters of credit were provided as collateral for the securities lent. Generally, collateral must be provided in the amount of 102% of the fair value of the securities loaned. In certain instances collateral must be provided in the amount of 105% when the principal trading market for the loaned securities is outside the United States. At June 30, 2022, the carrying amount and fair value of securities on loan was approximately \$2,384,564,000. The underlying collateral for these securities had a fair value of approximately \$2,470,057,000. Collateral of securities and letters of credit represented approximately \$377,904,000 of total collateral. These securities and letters of credit cannot be sold or pledged unless the borrower defaults, therefore, the collateral and related liability is not presented on the balance sheet. The remaining collateral represents cash collateral that is invested in short-term investment pools and is included as an asset on the balance sheet with an offsetting liability for the return of the collateral.

As of June 30, 2022, there was no credit risk exposure to borrowers because the amounts the fiduciary funds owe the borrowers exceed the amounts the borrowers owe the fiduciary funds. Contracts with securities lending agents require them to indemnify the lender if the borrower fails to return the securities or otherwise fails to pay the lender for income while the securities are on loan. There were no losses on security lending transactions, or recoveries from prior period losses, resulting from the default of a borrower or the lending agent. Investment policies do not require the maturities of investments made with cash collateral to match the maturities of securities lent; however, investment policies may establish minimum levels of liquidity to minimize the interest rate risk associated with not matching the maturity of the investments with the loans. Generally, their duration did not match the duration of the investments made with cash collateral.

### Derivative Instrument Definition

Derivative instruments are often complex financial arrangements used to manage specific risks or to act as investments. Derivative instruments can act as hedges to manage cash flow more effectively or act as investments thereby increasing or decreasing exposure to certain types of investments.

### Derivative Instruments - Primary Government

Certain state agencies utilize derivative instrument as tools to manage domestic, international, and fixed income investments efficiently and effectively within their respective portfolios. Investments for the Tobacco Settlement Endowment Trust Fund are reported at fair value based on the cash flows from interest and principal payments. The notional amount, financial statement classification and fair value balance of derivative instruments outstanding on June 30, 2022, and the change in fair value of such derivative instruments for the year then ended are as follows (expressed in thousands):

Permanent Fund	Derivative Instrument	Notional Amount	Fair Value		Change in Fair Value	
			Classification	Amount	Classification	Amount
Tobacco Settlement Trust	Foreign Currency Forward Contracts	\$ 289	Net Receivable	\$ 66	Investment Income	\$ 669

### Derivative Instrument Investments - Fiduciary Funds and Similar Component Units

Several of the state’s public employee retirement systems utilize derivative instrument investments as tools to manage domestic, international, and fixed income investments efficiently and effectively within their respective portfolios. The notional amount, financial statement classification and fair value balance of derivative instruments outstanding on June 30, 2022, and the change in fair value of such derivative instruments for the year then ended are as follows (expressed in thousands):

Pension System	Derivative Instrument	Notional Amount	Fair Value		Change in Fair Value	
			Classification	Amount	Classification	Amount
Teachers' Retirement System (TRS)	Foreign Currency Forward Contracts	521,269	Investment	517,905	Investment Income	(3,364)

The OFPRS system uses foreign currency forward contracts primarily to hedge foreign currency exposure. The fair values of all OFPRS derivative instruments are determined from market quotes of the instruments or similar instruments. The foreign currency forward contracts for the TRS subject the system to foreign currency risk because the investments are denominated in foreign currencies. The fair values of foreign currency forward contracts for TRS are estimated based on the present value of their estimated cash flows.

### Derivative Instruments - Component Units

The component units of the state have varied investment goals based on the demands of their specific operations and commonly have investment policies allowing for greater investment diversity and risk. Certain component units and foundations with the higher education component unit will utilize derivative instruments on occasion to secure specific returns matched to maturing liabilities to mitigate overall portfolio risk.

## Note 3. Accounts Receivable

Receivable balances have been disaggregated by type and presented separately in the financial statements. Only receivables with allowances for uncollectible accounts as of June 30, 2022, including the applicable allowances for uncollectible accounts, are presented below (expressed in thousands):

	General Fund	Proprietary Fund	Component Units	
	Accounts Receivable	Taxes Receivable	Accounts Receivable	Notes Receivable
Gross Receivables	\$ 219,947	\$ 176,761	\$ 1,023,386	\$ 179,523
Less:				
Allowance for Uncollectibles	(80,795)	(77,964)	(269,326)	(3,666)
Net Receivables	<u>\$ 139,152</u>	<u>\$ 98,797</u>	<u>\$ 754,060</u>	<u>\$ 175,857</u>

## Note 4. Interfund Accounts and Transfers

### A. Due from Other Funds/Due to Other Funds

A summary of interfund obligations as of June 30, 2022, is shown below (expressed in thousands):

	Due From Other Funds					Due To Other Funds				
	General Fund	Permanent Funds	Enterprise Funds	Due From Fiduciary Funds	Due From Other Component Units	General Fund	Permanent Funds	Enterprise Funds	Due To Fiduciary Funds	Due To Other Component Units
<b>Governmental Funds</b>										
General Fund	\$ -	\$ 122	\$ 24	\$ 68	\$ 57,465	\$ -	\$ 1,885	\$ -	\$ 98,684	\$ 162,275
Commissioners of the Land Office Permanent Fund	1,745	-	-	-	-	-	-	-	-	-
Dept of Wildlife Conservation Permanent Fund	140	-	-	-	-	-	-	-	-	-
Tobacco Settlement Permanent Fund	-	-	-	-	-	122	-	-	-	2,547
<b>Total Governmental Funds</b>	<b>\$ 1,885</b>	<b>\$ 122</b>	<b>\$ 24</b>	<b>\$ 68</b>	<b>\$ 57,465</b>	<b>\$ 122</b>	<b>\$ 1,885</b>	<b>\$ -</b>	<b>\$ 98,684</b>	<b>\$ 164,822</b>
<b>Enterprise Funds</b>										
Office of Management and Enterprise Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4
Oklahoma Employment Security Commission	\$ -	\$ -	\$ -	\$ -	\$ 6	\$ -	\$ -	\$ -	\$ -	\$ -
Oklahoma Lottery Commission	-	-	-	-	-	24	-	-	2,101	-
<b>Total Enterprise Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6</b>	<b>\$ 24</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,101</b>	<b>\$ 4</b>
<b>Fiduciary Funds</b>										
Pension Trust Funds:										
Firefighters Pension and Retirement System	\$ 18,762	\$ -	\$ -	\$ -	\$ -	\$ 4	\$ -	\$ -	\$ -	\$ -
Oklahoma Law Enforcement Retirement System	4,490	-	-	-	-	2	-	-	-	-
Oklahoma Public Employees Retirement System	11,177	-	-	-	717	22	-	-	-	-
Oklahoma Police Pension and Retirement	7,297	-	-	-	-	6	-	-	-	-
Teachers' Retirement System of Oklahoma	56,958	-	2,101	-	-	34	-	-	-	-
<b>Total Fiduciary Funds</b>	<b>\$ 98,684</b>	<b>\$ -</b>	<b>\$ 2,101</b>	<b>\$ -</b>	<b>\$ 717</b>	<b>\$ 68</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Due From Primary Government</b>										
<b>Due To Primary Government</b>										
	General Fund	Permanent Funds	Enterprise Funds	Due From Fiduciary Funds	Due From Other Component Units	General Fund	Permanent Funds	Enterprise Funds	Due To Fiduciary Funds	Due To Other Component Units
<b>Major Component Units:</b>										
Oklahoma Student Loan Authority	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20	\$ -	\$ -	\$ -	\$ -
Oklahoma Housing Finance Agency	-	-	-	-	-	4	-	-	73	-
Oklahoma Turnpike Authority	1,109	-	-	-	-	56,669	-	-	-	-
Grand River Dam Authority	-	-	-	-	-	183	-	-	555	136
Oklahoma Municipal Power Authority	-	-	-	-	-	1	-	-	63	-
Higher Education	18,724	2,547	4	-	29,091	581	-	2	2	15,189
<b>Nonmajor Component Units:</b>										
Oklahoma Education Television Authority	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ -	\$ -	\$ -	\$ -
Oklahoma Industrial Finance Agency	-	-	-	-	-	2	-	-	-	-
Multiple Injury Trust Fund	11,725	-	-	-	-	4	-	4	-	-
University Hospitals Authority	130,182	-	-	-	-	-	-	-	24	13,766
<b>Total Component Units</b>	<b>\$ 161,740</b>	<b>\$ 2,547</b>	<b>\$ 4</b>	<b>\$ -</b>	<b>\$ 29,091</b>	<b>\$ 57,465</b>	<b>\$ -</b>	<b>\$ 6</b>	<b>\$ 717</b>	<b>\$ 29,091</b>

A reconciliation of interfund receivables and interfund payables on June 30, 2022, follows. Timing differences occur between agencies with a June 30 year end and the component units with years ending September 30 or December 31.

<b>Total Due from Other Funds:</b>		<b>Total Due to Other Funds:</b>	
Wildlife Lifetime Licenses	\$ 140	Tobacco Settlement Endowment	\$ 122
Commissioners of the Land Royalties	1,745	Wildlife Lifetime Licences	140
Tobacco Settlement Endowment	122	Commissioners of the Land Royalties	1,745
Fiduciary Funds	98,684	Enterprise Funds	24
Component Unit Funds	161,740	Fiduciary Funds	100,785
Due From Permanent Funds		Component Unit Funds	164,826
Component Units	2,547	Due to Fiduciary Funds	
Due from Enterprise Funds		General Fund	68
General Fund	24	Due to Component Units	
Fiduciary Funds	2,101	General Fund	57,465
Component Units	4	Enterprise Funds	6
Due from Fiduciary Funds		Fiduciary Funds	717
General Fund	68	Component Unit Funds	<u>29,091</u>
Due from Component Units		Total Interfund Payables per	
General Fund	57,465	Financial Statements	\$ 354,989
Enterprise Funds	6		
Fiduciary Funds	717	Timing Differences: Component Units	
Other Component Unit Funds	29,091	Fiscal Year Ending December 31, 2021	<u>(535)</u>
<b>Total Interfund Receivables per</b>		<b>Total Interfund Payables</b>	<u>\$ 354,454</u>
<b>Financial Statements</b>	<u>\$ 354,454</u>		

The general fund due from Other Funds includes \$54,383,000 from Oklahoma Turnpike Authority (\$54,202,000 as of December 31, 2021) for a portion of motor fuel excise taxes collected on fuels consumed on turnpikes. The balance accumulates and is payable when certain Oklahoma Turnpike Authority revenue bonds payable have been paid in full. The Wildlife Lifetime Licenses Permanent Fund is due \$140,000 from the general fund for legislative mandated transfer of earnings on certain funds. The Commissioners of the Land Office Permanent Fund is due \$1,745,000 from the general fund for royalty payments held in escrow.

Remaining interfund balances resulted from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded, and payment between funds are made.

## B. Notes Payable and Capital Leases

The higher education component unit has entered into capital lease agreements with the general fund's Oklahoma Capital Improvement Authority to lease various facilities, equipment and improvements. The capital lease outstanding balances are \$281,904,000.

## C. Interfund Transfers

A summary of interfund transfers for the fiscal year ended June 30, 2022, follows (expressed in thousands):

Transfers From (Out)	Transfers To (In)	For (Purpose)	Amount
<b>Governmental Funds:</b>			
General Fund	Oklahoma Water Resources Board	Payment for administrative costs	\$ 2,525
		Total transfers out of the General Fund	<u>\$ 2,525</u>
<b>Proprietary Funds:</b>			
Oklahoma Water Resources Board	General Fund	Restricted investment revenue	\$ 2,684
Oklahoma Lottery Commission	General Fund	Transfer for expendible earnings	<u>79,337</u>
		Total transfers in to the General Fund	<u>\$ 82,021</u>
		Net transfers In/Out - General Fund	<u>\$ 79,496</u>

## Note 5. Capital Assets

Capital asset activity for the year ended June 30, 2022, was as follows (expressed in thousands):

### Primary Government

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, nondepreciable				
Land	\$ 1,989,176	\$ 82,552	\$ (3,969)	\$ 2,067,759
Construction in progress	299,900	66,813	(4,050)	362,663
Total capital assets, nondepreciable	<u>\$ 2,289,076</u>	<u>\$ 149,365</u>	<u>\$ (8,019)</u>	<u>\$ 2,430,422</u>
Capital assets, depreciable:				
Buildings and improvements	\$ 1,730,852	\$ 11,251	\$ (12,462)	\$ 1,729,641
Equipment	706,914	31,112	(31,451)	706,575
Infrastructure	22,315,842	910,746	-	23,226,588
Right to use lease assets:				
Land	\$ 486	\$ 1,329	\$ -	\$ 1,815
Buildings and improvements	92,605	7,238	(226)	99,617
Equipment	32,615	2,802	(35)	35,382
Infrastructure	3	-	-	3
Total capital assets, depreciable	<u>\$ 24,879,317</u>	<u>\$ 964,478</u>	<u>\$ (44,174)</u>	<u>\$ 25,799,621</u>
Less accumulated depreciation for:				
Buildings and improvements	\$ (857,617)	\$ (43,104)	\$ 11,631	\$ (889,090)
Equipment	(492,374)	(56,192)	28,734	(519,832)
Infrastructure	(12,433,432)	(561,960)	-	(12,995,392)
Right to use lease assets:				
Buildings and improvements	\$ -	\$ (29,031)	\$ -	\$ (29,031)
Equipment	-	(15,997)	-	(15,997)
Total accumulated depreciation	<u>\$ (13,783,423)</u>	<u>\$ (706,284)</u>	<u>\$ 40,365</u>	<u>\$ (14,449,342)</u>
Total capital assets, depreciable, net	<u>\$ 11,095,894</u>	<u>\$ 258,194</u>	<u>\$ (3,809)</u>	<u>\$ 11,350,279</u>
Governmental activities capital assets, net	<u><u>\$ 13,384,970</u></u>	<u><u>\$ 407,559</u></u>	<u><u>\$ (11,828)</u></u>	<u><u>\$ 13,780,701</u></u>
<b>Business-type activities:</b>				
Capital assets, depreciable:				
Equipment	\$ 6,949	\$ 2,010	\$ (272)	\$ 8,687
Total capital assets, depreciable	<u>\$ 6,949</u>	<u>\$ 2,010</u>	<u>\$ (272)</u>	<u>\$ 8,687</u>
Less accumulated depreciation for:				
Equipment	\$ (6,240)	\$ (384)	\$ 271	\$ (6,353)
Total accumulated depreciation	<u>\$ (6,240)</u>	<u>\$ (384)</u>	<u>\$ 271</u>	<u>\$ (6,353)</u>
Business-type activities capital assets, net	<u><u>\$ 709</u></u>	<u><u>\$ 1,626</u></u>	<u><u>\$ (1)</u></u>	<u><u>\$ 2,334</u></u>



Current period depreciation expense was charged to functions of the primary government as follows (expressed in thousands):

<b>Government Activities:</b>	
Education	\$ 1,203
General government	31,871
Health services	16,439
Legal and judiciary	1,390
Museums	168
Natural resources	31,431
Public safety and defense	40,134
Regulatory services	1,324
Social services	11,176
Transportation	571,148
Total depreciation expense - Governmental Activities	<u>\$ 706,284</u>
<b>Business-type Activities:</b>	
Government administration	\$ 179
Natural resources	205
Total depreciation expense - Business-type Activities	<u>\$ 384</u>

### Component Units

Capital asset activity for the year ended June 30, 2022, (December 31, 2021, or September 30, 2021, for those entities identified in Item D of Note 1) was as follows (expressed in thousands):

	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 566,605	\$ 18,744	\$ (8,106)	\$ 577,243
Construction in progress	1,321,333	340,152	(499,141)	1,162,344
Total capital assets, not being depreciated	<u>\$ 1,887,938</u>	<u>\$ 358,896</u>	<u>\$ (507,247)</u>	<u>\$ 1,739,587</u>
Capital assets, being depreciated/amortized:				
Buildings and improvements	\$ 11,597,345	\$ 429,182	\$ (65,526)	\$ 11,961,001
Equipment	1,741,188	120,505	(79,104)	1,782,589
Infrastructure	3,065,465	362,900	(195)	3,428,170
Right to use lease assets -Land & Buildings	-	36,556	(294)	36,262
Right to use lease assets -Equipment	-	27,418	(395)	27,023
Total capital assets, being depreciated	<u>\$ 16,403,998</u>	<u>\$ 976,561</u>	<u>\$ (145,514)</u>	<u>\$ 17,235,045</u>
Less accumulated depreciation/amortization for:				
Buildings and improvements	\$ (4,751,518)	\$ (310,173)	\$ 35,272	\$ (5,026,420)
Equipment	(1,342,813)	(96,097)	69,147	(1,369,763)
Infrastructure	(2,079,701)	(98,371)	647	(2,177,425)
Right to use lease assets -Land & Buildings	-	(7,555)	294	(7,261)
Right to use lease assets -Equipment	-	(11,000)	395	(10,605)
Total accumulated depreciation/amortization	<u>\$ (8,174,032)</u>	<u>\$ (523,196)</u>	<u>\$ 105,755</u>	<u>\$ (8,591,473)</u>
Total capital assets, being deprec./amort.,net	<u>\$ 8,229,966</u>	<u>\$ 453,365</u>	<u>\$ (39,759)</u>	<u>\$ 8,643,572</u>
Capital assets, net	<u>\$ 10,117,904</u>	<u>\$ 812,261</u>	<u>\$ (547,006)</u>	<u>\$ 10,383,159</u>

## Note 6. Risk Management and Insurance

It is the policy of the state to cover the risk of losses to which it may be exposed through risk management activities. In general, the state is self-insured for health care claims (except for employee participation in certain health maintenance organizations), workers' compensation, and second injury workers' compensation. The state is also self-insured against tort and auto liability and property losses, with commercial insurance policies for losses that fall outside of coverage limits or are in excess of the self-insured retention.

Coverage for health care claims and workers' compensation is provided by two entities of the state. The Employees Group Insurance Division (EGID), a division of the Office of Management and Enterprise Services (OMES), manages a legal trust which provides group health, life, dental, and disability benefits to the state's employees and certain other eligible participants. Effective January 1, 2015, the Risk Management Division (RMD), part of Capital Assets Management, a division of OMES, was authorized to handle Workers' Compensation for all state agencies when House Bill 2009 was signed into law during 2014. RMD Consolidated Workers' Compensation Program began operating on July 1, 2015.

Coverage for second injury workers' compensation is provided by a discretely presented component unit. The Multiple Injury Trust Fund (MITF) was created to encourage the hiring of individuals with a pre-existing disability and to protect those employers from liability for the pre-existing disability. MITF records a liability for outstanding court awards only as those amounts are awarded by the Workers' Compensation Court of Existing Claims for permanent total disability awards. There is no provision for incurred but not reported claims or claims pending Workers' Compensation Court of Existing Claims determination. Claims and Judgments which were due and owing on December 31, 2021, have been charged to operations for the year ended December 31, 2021. At year end, the MITF loss liability exceeded net position. MITF was indebted to claimants for court awarded judgments. Only those judgments currently payable in arrears bear interest. The rate, set by the state, is the Treasury bill rate plus 4% to be updated annually.

Coverage for liability and property losses is provided by RMD. RMD administers a self-insurance program to protect the state, its agencies, colleges, and universities against tort and auto liability claims. Coverage and limits under this program correspond directly with the Oklahoma Governmental Tort Claims Act. RMD purchases commercial liability insurance for losses that fall outside of the Oklahoma Governmental Tort Claims Act. RMD also provides a property insurance program for all agencies, colleges, and universities through a combination of a high self-insured retention and commercial insurance policies in excess of the self-insured retention. Coverage limits are \$1 billion for each occurrence subject to coverage terms and conditions. Commercial insurance is purchased to protect the state's fine arts and physical damage to its automobiles. Additionally, RMD purchases a government crime policy, i.e., employee dishonesty policy.

The amount of settlements from commercial insurance did not exceed insurance coverage in any of the past three fiscal years.

Except for MITF, estimates relating to incurred but not reported claims, as well as other probable and estimable losses are included in accrued liabilities for each fund. None of the funds have included non-incremental claims adjustment expense as part of accrued liabilities. Because actual claims liabilities are impacted by complex factors including inflation, changes in legal doctrines, and unanticipated damage awards, the process used in computing claims liabilities does not necessarily result in exact amounts. Claims liabilities are re-evaluated periodically to take into consideration recently settled claims, and other economic and social factors.

The general fund self-insurance loss liability for RMD represents an estimate of amounts to be paid from economic financial resources.

The following table presents the changes in claims liability balances (both current and noncurrent) during the current fiscal year ended June 30, 2022, (December 31, 2021, for EGID and MITF) and the prior fiscal year, (expressed in thousands):

	Beginning Balance	Plus: Current Year Claims and Changes in Estimates	Less: Claim Payments	Ending Balance	Noncurrent Liability	Current Liability
<b>Current Fiscal Year</b>						
General Fund -						
Office of Management and Enterprise Services (RMD)	\$ 95,012	\$ 70,637	\$ (23,299)	\$ 142,350	\$ 119,051	\$ 23,299
Proprietary Fund -						
Office of Management and Enterprise Services (EGID)	\$ 134,946	\$ 1,048,801	\$ (1,062,863)	\$ 120,884	\$ 10,374	\$ 110,510
Component Unit - *						
Multiple Injury Trust Fund	\$ 475,784	\$ 31,530	\$ (49,819)	\$ 457,495	\$ 406,950	\$ 50,545

\* The higher education component unit's claims and judgments (\$2,985 – noncurrent) are for accrued liabilities not related to risk management.

	Beginning Balance	Plus: Current Year Claims and Changes in Estimates	Less: Claim Payments	Ending Balance	Noncurrent Liability	Current Liability
<b>Prior Fiscal Year</b>						
General Fund -						
Office of Management and Enterprise Services (RMD)	\$ 71,586	\$ 53,546	\$ (30,120)	\$ 95,012	\$ 64,892	\$ 30,120
Proprietary Fund -						
Office of Management and Enterprise Services (EGID)	\$ 128,991	\$ 996,597	\$ (990,642)	\$ 134,946	\$ 7,543	\$ 127,403
Component Unit -						
Multiple Injury Trust Fund	\$ 499,434	\$ 27,387	\$ (51,037)	\$ 475,784	\$ 423,833	\$ 51,951

## Public Entity Risk Pool – Employees Group Insurance Division

The state operates Employees Group Insurance Division (EGID), a public entity risk pool.

### A. Description of Plan

EGID provides group health, dental, life, and disability benefits to active state employees and local government employees, as well as varying coverages for active education employees and certain participants of the state's retirement systems, survivors, and persons covered by the Consolidated Omnibus Budget Reconciliation Act of 1985. Disability coverage is available only to active state employees. EGID is self-insured and provides participants with the option of electing coverage from certain health maintenance organizations. Premium rates for the various groups are established separately.

The coverages are funded by monthly premiums paid by individuals, the state, local governments, educational employers, and retirement systems. A participant may extend coverage to dependents for an additional monthly premium based on the coverage requested. EGID collects and remits premiums for those who are covered by health maintenance organizations.

All state agencies are required to participate in EGID. Eligible local governments may elect to participate in EGID (296 local governments actually participate). Any education entity or local government which elects to withdraw from EGID may do so with 30 days written notice and must withdraw both its active and inactive participants.

A summary of available coverages and eligible groups, along with the number of health care participants follows:

	State Employee	Local Government Employee	Education Employee	Teachers' Retirement System	OPERS	COBRA
Health	X	X	X	X	X	X
Dental	X	X	X	X	X	X
Life	X	X	X	X	X	
Disability	X					
Medicare Supplement		X		X	X	X
Health Care Participants:						
Primary	21,000	8,000	55,000	-----	33,000	-----
Dependents				-----		-----
				-----		-----
				56,000		

## B. Unpaid Claims Liabilities

EGID establishes policy and contract claim reserves based on the estimated ultimate cost of settling claims that have been reported but not settled, and of claims that have been incurred but not yet reported. Disability reserves are also established based on the estimated ultimate cost of settling claims of participants currently receiving benefits and for disability claims incurred but not yet reported to EGID.

The reserves are determined using EGID's historical benefit payment experience. The length of time for which costs must be estimated depends on the coverages involved. Although such estimates are EGID's best estimates of the incurred claims to be paid, due to the complex nature of the factors involved in the calculation, the actual results may be more or less than the estimate. The claim liabilities are recomputed on a periodic basis using actuarial and statistical techniques which consider the effects of general economic conditions, such as inflation, and other factors of past experience, such as changes in participant counts. Adjustments to claim liabilities are recorded in the periods in which they are made. Premium deficiency reserves are required to be recorded when the anticipated costs of settling claims for the following fiscal year are in excess of the anticipated premium receipts for the following year. Anticipated investment income is considered in determining whether a premium deficiency exists.

## C. Reconciliation of Claims Liabilities

The schedule below presents the changes in policy and contract claim reserves and disability reserves for the three types of coverages: health and dental, life, and disability (expressed in thousands):

	Health and Dental	Life	Disability	Total
	Fiscal Year 12/31/2021	Fiscal Year 12/31/2021	Fiscal Year 12/31/2021	Fiscal Year 12/31/2021
Reserves at beginning of period	\$ 104,334	\$ 22,560	\$ 8,052	\$ 134,946
Incurred claims:				
Provision for insured events of current period	\$ 995,792	\$ 40,620	\$ 3,540	\$ 1,039,952
Changes in provisions for insured events of prior periods	8,068	2,814	(2,033)	8,849
Total incurred claims	\$ 1,003,860	\$ 43,434	\$ 1,507	\$ 1,048,801
Payments:				
Claims attributable to insured events of current period	\$ 922,305	\$ 33,911	\$ 553	\$ 956,769
Claims attributable to insured events of prior periods	94,050	10,232	1,812	106,094
Total payments	\$ 1,016,355	\$ 44,143	\$ 2,365	\$ 1,062,863
Reserves at end of period	\$ 91,839	\$ 21,851	\$ 7,194	\$ 120,884

#### **D. Revenue and Claims Development Information**

The separately issued audited financial statements for EGID include Required Supplementary Information regarding revenue and claims development.

#### **Note 7. Tax Abatements**

The State of Oklahoma provides tax abatements under six programs: Historic Rehabilitation tax credits, Quality Jobs programs (Quality Jobs, Small Employer and 21<sup>st</sup> Century), Oklahoma Film Enhancement rebates, Filmed in Oklahoma rebates, Quality Events Program, Small Business Incubators, and New Products Development Income Tax Exemptions. Tribal compacts with Native American tribes also provide abatements to cigarette tax collections.

The Historic Rehabilitation Tax Credits Program established by the legislature (68 Oklahoma Statute (O.S.) § 2357.41) promotes the rehabilitation of historic structures of every period. These credits can be claimed at any time after the relevant local governmental body responsible for doing so issues a certificate of occupancy or other document that is a precondition for the applicable use of the building or structure. During the fiscal year ended June 30, 2022, estimated tax credits in the amount of \$31,366,000 were approved for 12 projects. Historic Rehabilitation tax credits used to reduce tax liability in 2021 was \$1,694,000. An additional \$36,262,000 in estimated tax credits was approved in fiscal year 2022 for 9 projects which were applied for or approved in prior fiscal years.

Three quality jobs programs are administered by the Oklahoma Department of Commerce (ODOC) for which the state provides incentive payments that are paid from income tax collections:

The Oklahoma Quality Jobs Program was established by the legislature (68 O.S. § 3601) to provide an incentive for companies to expand or relocate jobs to Oklahoma. Companies meeting certain statutory requirements can receive a rebate up to 5% of new taxable payroll for up to 10 years. The requirements include creating jobs within a qualifying industry as noted by the North American Industry Classification System description; paying wages on the newly created jobs equal to the average county wage or state threshold wage, whichever is lower; achieving \$2,500,000 in new annual taxable payroll within three years; and offering basic health insurance to employees within 180 days of employment. Companies can receive up to a 6% rebate if at least 10% of new payroll is comprised of qualified military veterans.

Under certain circumstances, some program requirements may be amended or waived.

A company that participates in the Oklahoma Quality Jobs Program but fails to maintain a business presence in the state of Oklahoma within three years of start date must repay all program benefits they received and may not re-apply for the program for one year following dismissal.

The Small Employer Quality Jobs Program (68 O.S. §3901) was established to provide appropriate incentives to support the creation of quality jobs, particularly for small businesses, in basic industries in the state. Companies applying for the Small Employer program must have 90 employees or less at the time of application to the program. Rebates under the program are received for up to seven years. Program requirements include creating a minimum number of new jobs based on the population of the community where the company is located; having 35% out-of-state sales for the first two years and subsequently 60% out-of-state sales; paying the newly created jobs at 110% of the average county wage; and offering basic health insurance within 180 days of employment (the employee must not pay more than 50% of the premium). Benefits are not payable until the company attains both the minimum number of new jobs and the required average wage.

The 21<sup>st</sup> Century Quality Jobs Program (68 O.S. §3911-3920) was established to provide appropriate incentives to attract growth industries and sectors to Oklahoma in the 21st century through a policy of rewarding businesses with a highly skilled, knowledge-based workforce. The program allows a net benefit rate of up to ten percent of payroll for up to ten years and requires at least ten full-time jobs at an annual average wage of the lesser of \$103,736 (the state wage, which is indexed every year) or 300% of the county's average wage. Out-of-state sales for the company must be at least 50% for most participants. The program targets industries, such as knowledge-based service industries, including professional, scientific, and technical services; music, film and performing arts; and specialty hospitals.

During the fiscal year ended June 30, 2022, 86 companies received payments totaling \$48,637,000 as part of Quality Jobs Programs.

To increase the attractiveness of Oklahoma as a location for the film industry, the Oklahoma Film Enhancement rebate was established by the legislature (68 O.S. §§ 3621-3626). A rebate, of up to 37% of documented expenditures made in Oklahoma directly attributable to the production of film, television production, or television commercials, may be paid to the production company. The Oklahoma Film and Music Commission and the Oklahoma Tax Commission (OTC) administer the program. During the fiscal year ended June 30, 2022, 26 film companies received rebates funded from individual income tax amounting to \$17,600,000.

The Filmed in Oklahoma Act of 2021 (68 O.S. §§ 3631-3641) was enacted to further attract the film industry to the state. This incentive rebate program was created for certain film projects and eligible television series projects filmed or produced in Oklahoma and meet the requirements of the act. A base incentive of up to 20% of qualified production expenditures is available. Further incentives include an additional 2% - 7.5% for certain eligible production expenditures. The Oklahoma Department of Commerce and the Oklahoma Tax Commission administer this program. During the fiscal year ended June 30, 2022, three film companies received rebates of \$235,000 funded from individual tax.

The Quality Events Incentive (68 O.S. §4301-4311) was designed to promote certain quality events that have a significant positive economic impact. A quality event is a new event of a meeting of a nationally recognized organization, a new or existing event that is a national, international or world championship, or a new or existing event that is managed or produced by an Oklahoma based national or international organization. The host community must submit a resolution and information pertaining to the event (geographic area, length of time for revenue capture, expenses, event history, and economic impact) to OTC within 30 days of the date on which the host community adopts the ordinance or resolution. OTC will then approve or disapprove the impact study. ODOC and the Oklahoma Tourism and Recreation Department provide assistance and information, as requested, by OTC to approve or disapprove an economic impact study.

During the fiscal year ended June 30, 2022, nine events were certified by the Quality Events Incentive Program, and \$439,000 in sales tax was abated.

A business incubator is a facility in which small businesses may rent space and where management provides business development services, such as financial consulting and marketing assistance. The Small Business Incubators program offers tax exemptions for tenants (74 O.S. §5078) of business incubators that register with ODOC.

Tenants are exempt from state tax liability on income earned as a result of activities conducted as an occupant in a certified incubator for up to ten years from the occupancy date in an incubator site in accordance with rules of OTC. The exemption remains in effect after the date the tenant is no longer an occupant in an incubator, but not to exceed a total of ten years.

Reporting for tax exemptions related to business incubator tenants is commingled with other tax exemptions on the forms provided to OTC. As a result, it is not possible to determine the amount of tax abated during the fiscal year ended June 30, 2022.

Under the New Products Development Income Tax Exemption (74 O.S. § 5064.7), royalties earned by an inventor from a product developed and manufactured in the State of Oklahoma shall be exempt from state income tax for a period of seven years from the first year in which such royalty is received as long as the manufacturer remains in the state. In addition, such manufacturer may exclude from Oklahoma taxable income, or in the case of an individual, the Oklahoma adjusted gross income, 65% of the cost of depreciable property purchased and utilized directly in manufacturing the product. To qualify for the incentives, the product shall be patented or have patent pending pursuant to federal law and shall be registered with Oklahoma Center for the Advancement of Science and Technology.

The reporting for tax exemptions related to New Products Development Income Tax Exemptions are commingled with other tax exemptions on the forms provided to OTC. As a result, it is not possible to determine the amount of tax abated during the fiscal year ended June 30, 2022.

Twenty-one Native American tribes, governed within the state's borders, collect cigarette taxes on behalf of the state through compact agreements. Only a portion of the taxes are remitted to the state, with the tribe retaining the remainder as defined by the compact agreement. During the fiscal year ending June 30, 2022, the amount of tax retained by tribes ranged from 50-65% and resulted in \$57,636,000 of tax abatements.

Information relevant to disclosure of those programs for the fiscal year ended June 30, 2022, is:

Tax Abatement Program	Amount of Taxes Abated (in thousands)
Historic Rehabilitation Tax Credits Used	\$ 1,694
Quality Jobs Programs	48,637
Oklahoma Film Enhancement Rebate	17,600
Filmed in Oklahoma Rebate	235
Quality Events Program	439
Cigarette Tax Tribal Compacts	57,636

## Note 8. Lessor Agreements

### Primary Government

State entities lease various real property, equipment, and building space to non-state entities or component units under long-term right-to-use lease agreements. Leases expire at various dates through 2072 and may provide renewal options. During the current fiscal year, \$23,489,000 was recognized in lease revenue and \$1,020,000 in interest revenue. No significant variable payments, residual value guarantees, or lease termination penalties are included in the lease agreements.

The following schedule represents minimum lease payments receivable for right-to-use leases for each of the five succeeding fiscal years (expressed in thousands):

	2023	2024	2025	2026	2027	Thereafter	Total
Right-to-Use Leases	\$ 21,368	\$ 17,343	\$ 13,674	\$ 9,537	\$ 4,550	\$ 44,668	\$ 111,140
Less: Interest	1,104	876	682	522	434	5,373	8,991
Total Principal	<u>\$ 20,264</u>	<u>\$ 16,467</u>	<u>\$ 12,992</u>	<u>\$ 9,015</u>	<u>\$ 4,116</u>	<u>\$ 39,295</u>	<u>\$ 102,149</u>

### Component Units

The Oklahoma Municipal Power Authority (OMPA) executed a power purchase agreement with FPL Energy Oklahoma Wind, LLC (FPLE Oklahoma), for the development of a wind generation facility in northwestern Oklahoma. Under the agreement, FPLE Oklahoma was responsible for acquiring, constructing, and installing the wind project. OMPA issued taxable limited obligation notes which were payable solely from lease payments made by FPLE Oklahoma. OMPA used the proceeds of the notes to finance the acquisition of the wind project and has leased the wind project to FPLE Oklahoma under a long-term capital lease agreement for an amount sufficient to pay the debt service on the notes. The power purchase agreement has a term of approximately 25 years and power is sold on a take and pay basis. FPLE Oklahoma retains the operational risk related to the wind project. The following schedule lists the components of the lease agreement as of December 31, 2021 (expressed in thousands):

Total minimum lease payments to be received	\$ 31,617
Less: Amounts representing interest included in total minimum lease payments	<u>(6,403)</u>
Net investment in direct financing leases	<u>\$ 25,214</u>

The Oklahoma Educational Television Authority leases excess capacity on various channels to a wireless communications provider. The leases will expire in February 2047. Oklahoma Development Finance Authority leases a portion of its office space with a private company. The lease is in effect through February 2024. The Oklahoma Turnpike Authority (OTA) enters in to various non-cancelable contracts with concessionaires to provide patron services on the state’s turnpike system. Concession revenue is received by OTA under non-cancelable contracts which includes minimum rentals plus contingent rentals based on sales volume. Antenna space is also leased by OTA under non-cancelable contracts with a 20-year term.

The following schedule presents minimum future rentals receivable from these contracts (expressed in thousands):

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>Thereafter</u>	<u>Total</u>
Oklahoma Educational Television Authority	\$ 215	\$ 215	\$ 215	\$ 215	\$ 215	\$ 4,204	\$ 5,279
Oklahoma Development Finance Authority	10	6	-	-	-	-	16
Oklahoma Turnpike Authority	<u>1,542</u>	<u>1,542</u>	<u>1,549</u>	<u>1,567</u>	<u>1,609</u>	<u>13,297</u>	<u>21,106</u>
Total	<u>\$ 1,767</u>	<u>\$ 1,763</u>	<u>\$ 1,764</u>	<u>\$ 1,782</u>	<u>\$ 1,824</u>	<u>\$ 17,501</u>	<u>\$ 26,401</u>

The cost, carrying amount and accumulated depreciation of the Oklahoma Turnpike Authority leased property for the year ended December 31, 2021, is \$47,200,000, \$30,900,000, and \$16,300,000, respectively.

Higher education institutions have entered into various agreements for land and building space leases. The leases expire between 2024 and 2109 and interest rates vary between 0.06% and 2.0%. Leases receivable for higher education institutions was \$78,889,000 as of June 30, 2022.



## Note 9. Long-Term Obligations as Related to Governmental Activities

Long-term obligations as of June 30, 2022, and changes for the fiscal year then ended (expressed in thousands):

	Issue Date	Interest Rates	Maturity Through	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue Bonds Payable from Lease Rentals:								
OCIA Series 2009B	2010	5.04%-5.34%	2025	\$ 47,385	\$ -	\$ 11,260	\$ 36,125	\$ 11,640
OCIA Series 2010, Refunding\Revenue	2011	1.77%-5.61%	2031	86,630	-	6,810	79,820	7,160
OCIA Series 2012 DOT	2012	4.00%-5.00%	2022	4,675	-	4,675	-	-
OCIA Series 2013A	2013	2.00%-4.00%	2025	6,645	-	2,040	4,605	2,105
OCIA Series 2014A	2014	2.00%-5.00%	2031	191,290	-	3,030	188,260	18,470
OCIA Series 2014B	2015	2.00%-5.00%	2025	897	-	207	690	220
OCIA Series 2014C	2015	2.00%-5.00%	2035	67,340	-	3,595	63,745	3,770
OCIA Series 2015A	2015	2.00%-5.00%	2025	15,085	-	3,530	11,555	3,680
OCIA Series 2015B	2016	3.00%-5.00%	2027	25,615	-	3,800	21,815	3,965
OCIA Series 2016 DOT	2017	2.00%-5.00%	2035	154,835	-	8,005	146,830	8,335
OCIA Series 2017A, Refunding\Revenue	2017	2.00%-4.00%	2030	15,540	-	2,370	13,170	2,440
OCIA Series 2017B	2017	2.00%-5.00%	2026	45,135	-	7,500	37,635	7,795
OCIA Series 2017C	2018	2.00%-5.00%	2017	26,715	-	510	26,205	520
OCIA Series 2018B	2019	3.71%-4.35%	2049	25,205	-	-	25,205	-
OCIA Series 2018C	2019	3.00%-5.00%	2039	61,515	-	2,280	59,235	2,345
OCIA Series 2018D	2019	2.00%-5.00%	2039	109,180	-	3,955	105,225	4,150
OCIA Series 2019A	2019	2.00%-5.00%	2035	11,955	-	1,985	9,970	2,090
OCIA Series 2019B	2019	3.00%-5.00%	2046	41,135	-	890	40,245	925
OCIA Series 2019C	2020	2.00%-5.00%	2040	58,050	-	1,910	56,140	2,005
OCIA Series 2020A	2020	5.00%	2026	82,360	-	12,660	69,700	14,295
OCIA Series 2020B	2021	2.63%-5.00%	2051	169,465	-	2,645	166,820	2,780
OCIA Series 2020C	2021	0.55%-1.10%	2026	22,135	-	530	21,605	5,335
OCIA Series 2020D	2021	3.00%-4.00%	2041	13,630	-	240	13,390	485
OCIA Series 2020E	2021	0.41%-3.08%	2041	48,835	-	1,095	47,740	2,170
OCIA Series 2021A	2022	0.45%-2.90%	2043	-	161,640	-	161,640	5,965
OCIA Series 2022A	2022	1.70%-3.94%	2043	-	17,650	-	17,650	-
OCIA Series 2022B	2022	2.66%-4.73%	2048	-	47,085	-	47,085	-
OCIA Series 2022C	2022	3.02%-5.39%	2048	-	36,985	-	36,985	-
Dept of Corrections 2013 (ODFA)	2013	1.40%-5.00%	2023	4,926	-	2,826	2,100	2,100
Dept of Corrections 2016A (ODFA)	2017	2.00%-3.00%	2026	1,640	-	515	1,125	270
DHS-2008 (ODFA)	2008	3.25%-4.15%	2023	3,825	-	1,875	1,950	1,950
DHS-2012 (ODFA)	2012	4.00%-5.00%	2022	1,315	-	1,315	-	-
Law Enforcement Education/Train (ODFA)	2013	2.38%-5.00%	2027	7,869	-	1,215	6,654	1,275
OMES 2019A (ODFA)	2019	3.00%-5.00%	2035	22,805	-	1,290	21,515	1,355
Total				\$ 1,373,632	\$ 263,360	\$ 94,558	\$ 1,542,434	\$ 119,595
Notes Payable:								
OCIA TIFIA 2021-1	2022	1.57%	2045	\$ -	\$ 42,031	\$ -	\$ 42,031	\$ -
ODOT 2018A, Grant Anticipation	2018	3.00%-5.00%	2034	56,330	-	3,180	53,150	3,340
OMES Equipment Financing	2021	1.79%	2039	-	14,771	-	14,771	614
Total				\$ 56,330	\$ 56,802	\$ 3,180	\$ 109,952	\$ 3,954
Right-to-Use Leases				\$ 125,709	\$ 10,702	\$ 44,161	\$ 92,250	\$ 45,898
Compensated Absences				184,955	103,577	98,705	189,827	98,705
Pension Liabilities				987,355	-	911,930	75,425	-
Bond Issue Premiums				142,310	-	13,462	128,848	13,251
Claims and Judgments Payable				95,012	70,637	23,299	142,350	23,299
Other Postemployment Benefits				149,156	7,952	-	157,108	-
Total Long-Term Obligations				\$ 3,114,459	\$ 513,030	\$ 1,189,295	\$ 2,438,194	\$ 304,702

The following table presents annual debt service requirements for those long-term obligations outstanding on June 30, 2022, which have scheduled debt service amounts (expressed in thousands):

	2023	2024	2025	2026	2027	2028-2032	2033-2037	2038-2042	2043-2047	2048-2052	Total
<b>Revenue Bonds:</b>											
OCIA Series 2009B	\$ 13,246	\$ 13,018	\$ 12,783	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,047
OCIA Series 2010, Refunding\Revenue	11,303	11,292	11,282	11,277	11,243	44,820	-	-	-	-	101,217
OCIA Series 2013A	2,234	1,413	1,178	-	-	-	-	-	-	-	4,825
OCIA Series 2014A	26,985	26,988	26,683	26,536	26,068	97,067	-	-	-	-	230,327
OCIA Series 2014B	243	244	245	-	-	-	-	-	-	-	732
OCIA Series 2014C	6,382	6,387	6,356	6,356	6,348	31,762	19,024	-	-	-	82,615
OCIA Series 2015A	4,233	4,229	4,230	-	-	-	-	-	-	-	12,692
OCIA Series 2015B	4,934	4,924	4,922	4,922	4,910	-	-	-	-	-	24,612
OCIA Series 2016	14,900	14,903	14,899	14,900	14,903	74,514	44,710	-	-	-	193,729
OCIA Series 2017A, Refunding\Revenue	2,870	2,853	2,856	2,854	766	2,286	-	-	-	-	14,485
OCIA Series 2017B	9,596	9,599	9,598	13,829	-	-	-	-	-	-	42,622
OCIA Series 2017C	1,581	1,583	1,583	1,581	1,578	7,888	7,868	7,843	7,822	6,226	45,553
OCIA Series 2018B	1,068	1,068	1,068	1,068	1,067	8,392	9,132	9,104	9,071	3,617	44,655
OCIA Series 2018C	5,225	5,227	5,228	5,226	5,224	26,130	26,132	10,450	-	-	88,842
OCIA Series 2018D	8,899	8,924	8,893	8,887	8,890	44,310	44,187	17,671	-	-	150,661
OCIA Series 2019A	2,486	2,484	2,493	415	411	2,065	1,241	-	-	-	11,595
OCIA Series 2019B	2,676	2,678	2,679	2,676	2,677	13,389	13,383	13,389	10,717	-	64,264
OCIA Series 2019C	4,531	4,570	4,574	4,576	4,578	22,807	22,794	13,702	-	-	82,132
OCIA Series 2020A	17,423	17,390	17,357	25,297	-	-	-	-	-	-	77,467
OCIA Series 2020B	9,870	9,872	9,872	9,870	9,874	49,355	49,358	49,355	49,354	39,485	286,265
OCIA Series 2020C	5,510	5,511	5,507	5,505	-	-	-	-	-	-	22,033
OCIA Series 2020D	992	992	991	990	988	4,943	4,922	3,934	-	-	18,752
OCIA Series 2020E	3,188	3,190	3,187	3,185	3,183	15,873	15,814	12,599	-	-	60,219
OCIA Series 2021A	9,999	9,999	9,997	9,999	9,996	49,988	49,985	49,993	9,998	-	209,954
OCIA Series 2022A	404	1,225	1,228	1,228	1,227	6,111	6,086	6,066	1,209	-	24,784
OCIA Series 2022B	1,381	1,973	3,206	3,206	3,207	15,992	15,948	15,882	15,802	3,153	79,750
OCIA Series 2022C	984	2,561	2,640	2,640	2,637	13,174	13,123	13,059	12,989	2,588	66,395
Corrections 2013 (ODFA)	2,202	-	-	-	-	-	-	-	-	-	2,202
Corrections 2016A (ODFA)	301	298	305	293	-	-	-	-	-	-	1,197
DHS-2008 (ODFA)	2,031	-	-	-	-	-	-	-	-	-	2,031
Law Enforcement Education/Train (ODFA)	1,462	1,466	1,464	1,461	1,342	-	-	-	-	-	7,195
OMES 2019A (ODFA)	2,363	2,360	2,364	2,359	2,361	11,796	4,726	-	-	-	28,329
	<u>\$ 181,502</u>	<u>\$ 179,221</u>	<u>\$ 179,668</u>	<u>\$ 171,136</u>	<u>\$ 123,478</u>	<u>\$ 542,662</u>	<u>\$ 348,433</u>	<u>\$ 223,047</u>	<u>\$ 116,962</u>	<u>\$ 55,069</u>	<u>\$ 2,121,178</u>
Less: Interest	61,907	57,846	52,596	47,136	42,353	158,229	88,833	45,887	20,052	3,905	578,744
Total Principal	<u>\$ 119,595</u>	<u>\$ 121,375</u>	<u>\$ 127,072</u>	<u>\$ 124,000</u>	<u>\$ 81,125</u>	<u>\$ 384,433</u>	<u>\$ 259,600</u>	<u>\$ 177,160</u>	<u>\$ 96,910</u>	<u>\$ 51,164</u>	<u>\$ 1,542,434</u>
<b>Notes Payable:</b>											
OCIA TIFIA 2021-1	\$ -	\$ 332	\$ 2,352	\$ 2,351	\$ 2,351	\$ 11,752	\$ 11,747	\$ 11,740	\$ 7,041	\$ -	\$ 49,666
ODOT 2018A, Grant Anticipation	5,913	5,908	5,903	5,900	5,897	29,396	11,715	-	-	-	70,632
OMES Equipment Financing	927	938	950	962	974	5,054	5,378	2,247	-	-	17,430
Less: Interest	2,886	2,991	3,113	2,884	2,646	9,251	2,815	1,027	163	-	27,776
Total Principal	<u>\$ 3,954</u>	<u>\$ 4,187</u>	<u>\$ 6,092</u>	<u>\$ 6,329</u>	<u>\$ 6,576</u>	<u>\$ 36,951</u>	<u>\$ 26,025</u>	<u>\$ 12,960</u>	<u>\$ 6,878</u>	<u>\$ -</u>	<u>\$ 109,952</u>
<b>Right-To-Use Leases</b>											
	\$ 48,306	\$ 16,884	\$ 13,348	\$ 11,265	\$ 9,817	\$ 1,213	\$ -	\$ -	\$ -	\$ -	\$ 100,833
Less: Interest	2,408	1,895	1,624	1,392	1,179	85	-	-	-	-	8,583
Total Principal	<u>\$ 45,898</u>	<u>\$ 14,989</u>	<u>\$ 11,724</u>	<u>\$ 9,873</u>	<u>\$ 8,638</u>	<u>\$ 1,128</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 92,250</u>
Total	<u>\$ 169,447</u>	<u>\$ 140,551</u>	<u>\$ 144,888</u>	<u>\$ 140,202</u>	<u>\$ 96,339</u>	<u>\$ 422,512</u>	<u>\$ 285,625</u>	<u>\$ 190,120</u>	<u>\$ 103,788</u>	<u>\$ 51,164</u>	<u>\$ 1,744,636</u>
Compensated Absences											189,827
Net Pension Liability											75,425
Bond Issue Premiums											128,848
Claims and Judgments Payable											142,350
Other Postemployment Benefits											157,108
Total Long-Term Obligations											<u>\$ 2,438,194</u>

## A. Revenue Bonds

The Oklahoma Capitol Improvement Authority (OCIA) has twenty-eight outstanding series of building bonds to construct and equip state office buildings and prisons. Principal and interest payments on these bond issues are paid from rents collected from the various state and federal agencies that occupy the buildings constructed with the bond proceeds.

The OCIA Series 2021A bonds, totaling \$161,640,000, were issued to benefit Oklahoma State Regents for Higher Education. The issuance is used to fund the state match of private gifts and create endowed chairs, professorships, lectureships, and positions for artists in residence at various higher education institutions across the state.

The OCIA Series 2022A bonds, issued in the amount of \$17,650,000, provide financing for construction, repair, and rehabilitation of flood-control dams through the assistance of local conservation districts. Construction is administered by the Oklahoma Conservation Commission.

The OCIA Series 2022B bonds in the amount of \$47,085,000, were issued to finance the construction of a National Guard Museum in Oklahoma City, Oklahoma, by the Oklahoma Military Department.

The OCIA Series 2022C bonds issued for \$36,985,000, provide financing to acquire real property and construction of a long-term care facility in Ardmore, Oklahoma, for the Oklahoma Department of Veterans Affairs.

The Oklahoma Development Finance Authority issued lease revenue bonds to provide lease financing for Department of Corrections, Department of Human Services, Council for Law Enforcement Education and Training, and Office of Management and Enterprise Services. The actual lease payments are made to a trustee who is responsible for payments to individual investors.

## **B. Notes Payable**

The Oklahoma Department of Transportation issued several series of Grant Anticipation Notes for the purpose of financing certain qualified federal aid transportation projects in the state. The notes are secured by federal revenue received from the Federal Highway Administration and have a final maturity in 2034. Total revenue received from the Federal Highway Administration in fiscal year 2022 was \$756,432,000 with a portion of that amount, \$70,632,000, reserved as security for the notes. Current year note obligations for principal and interest totaled \$5,914,000.

Oklahoma Capital Improvement Authority (OCIA) is authorized to borrow \$200,000,000 in Transportation Infrastructure Finance and Innovation Act loans to fund the Oklahoma Department of Transportation eight-year construction workplan. During 2022, OCIA borrowed \$42,031,000 at an annual interest rate of 1.57%. Final maturity for this loan is 2045. All loans must be repaid no more than 30 years from first maturity.

Office of Management and Enterprise Services entered into an equipment lease purchase agreement in the amount of \$14,771,000, at an annual interest rate of 1.79%. Final maturity for this agreement is fiscal year 2039.

## **C. Right-to-Use Leases**

The state leases a significant number of non-financial assets including land, land improvements, buildings, office space, and equipment. The lease terms of various agreements range from more than one year to 10 years. The state did not incur any lease expense related to residual value guarantees, lease termination penalties or losses due to impairment. The state's right-to-use assets and associated accumulated amortization is included in Note 5, Capital Assets. The related obligations are presented in amounts equal to the present value of least payments expected to be made during the lease term.

## **D. Other Liabilities**

Compensated absences are liquidated by the general fund and do not have scheduled future debt service requirements beyond one year. The pension obligation is for the Oklahoma Law Enforcement Retirement System, Oklahoma Public Employees Retirement System, Oklahoma Police Pension and Retirement System, Oklahoma Teachers Retirement System and Oklahoma Wildlife Conservation Retirement Plan. These plans provide retirement, disability, and death benefits to the plan members and their beneficiaries. These pension obligations do not have scheduled future debt service requirements. The Oklahoma Wildlife Conservation Retirement Plan obligation will be liquidated by the general fund. The pension liability for all other plans will be liquidated by the respective pensions.

## **E. Authorized Unissued Bonds and Loans**

During 2018, the legislature authorized OCIA to issue \$58,555,000 for the Oklahoma State Department of Health to construct a new state health laboratory. During 2021, the legislature authorized \$200,000,000 in loan borrowings by OCIA to benefit the Department of Transportation in its eight-year construction plan. Of this amount, \$158,453,000 remains unissued. In 2022, the legislature authorized OCIA to issue revenue bonds for \$19,000,000 and \$70,000,000, to the Office of Management and Enterprise Services for renovations of the State Capitol Office Complex tunnels and the Jim Thorpe Office Building, respectively. Also, during 2022, \$46,000,000 was authorized for the Oklahoma Historical Society to renovate existing Oklahoma Historical Society facilities.

## Note 10. Long-Term Obligations as Related to Business-Type Activities

The Oklahoma Water Resources Board, along with the Department of Environmental Quality, has issued 45 series of revenue bonds. These bonds provide resources to implement statewide financial assistance programs. These programs make loans to local government units for the acquisition, development, and utilization of storage and control facilities for water and sewage systems. Three of the revenue bonds have a variable or floating rate and are also subject to mandatory sinking fund redemption. The remaining revenue bonds are held at a fixed rate.

Long-term obligations as of June 30, 2022, and changes for the fiscal year then ended are as follows (expressed in thousands):

	Issue Dates	Interest Rates	Maturity Through	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Revenue Bonds Payable from User Fees:								
2004-2022 Issues	2004-2022	0.19%- 5.00%	2051	\$ 1,132,790	\$ 350,375	\$ 88,600	\$ 1,394,565	\$ 70,950
Adjusted for: Bond Premiums/(Discounts)				69,090	29,543	6,543	92,090	-
Revenue Bonds Payable (Net)				\$ 1,201,880	\$ 379,918	\$ 95,143	\$ 1,486,655	\$ 70,950
Other Noncurrent Liabilities				\$ 40,803	\$ 47,251	\$ 33,260	\$ 54,794	\$ 44,420
Pension Liability				3,675	-	3,675	-	-
Other Postemployment Benefits				485	1	-	486	-
Compensated Absences				1,067	137	715	489	335
Total Long-Term Obligations				\$ 1,247,910	\$ 427,307	\$ 132,793	\$ 1,542,424	\$ 115,705

The following table presents annual debt service requirements for those long-term obligations outstanding on June 30, 2022, which have scheduled debt service amounts (expressed in thousands):

	2023	2023	2024	2025	2026	2027 - 2031	2032 - 2036	2037 - 2041	2042 - 2046	2047 - 2052	Total
Revenue Bonds:											
2004-2022 Issues	\$121,123	\$110,501	\$109,874	\$102,480	\$101,854	\$489,734	\$390,667	\$285,472	\$198,574	\$110,444	\$2,020,723
Less: Interest	50,173	48,121	45,804	43,380	41,089	168,939	110,417	68,142	41,179	8,914	626,158
Principal	\$ 70,950	\$ 62,380	\$ 64,070	\$ 59,100	\$ 60,765	\$320,795	\$280,250	\$217,330	\$157,395	\$101,530	\$1,394,565
Adjusted for:											
Bond Premium/(Discounts)											92,090
Other Noncurrent Liabilities											54,794
Pension Liability											-
Other Postemployment Benefits											486
Compensated Absences											489
Total Long-Term Obligations											\$1,542,424

## Note 11. Long-Term Obligations as Related to Component Units

Long-term obligations at June 30, 2022 (September 30, 2021, for Oklahoma Housing Finance Agency and December 31, 2021, for Oklahoma Turnpike Authority, Grand River Dam Authority and Municipal Power Authority), and changes for the fiscal year then ended are as follows (expressed in thousands):

	Issue Dates	Interest Rates	Maturity Through	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
<b>General Obligation Bonds Payable from User Fees:</b>								
Industrial Finance Authority	2001	1.65%	2029	\$ 30,000	\$ -	\$ -	\$ 30,000	\$ -
Total General Obligation Bonds Payable				\$ 30,000	\$ -	\$ -	\$ 30,000	\$ -
<b>Revenue Bonds Payable from User Fees:</b>								
Student Loan Authority	2010-2013	0.60% - 1.30%	2040	\$ 97,190	\$ -	\$ 97,190	\$ -	\$ -
Development Finance Auth.	1996	4.65%	2045	3,000	-	-	3,000	-
Housing Finance Agency	1991-2020	0.20% - 7.35%	2050	237,743	30,000	82,988	184,755	5,895
Turnpike Authority	2017-2020	0.49% - 5.00%	2048	1,721,165	-	10,930	1,710,235	56,345
Grand River Dam Authority	2010-2017	1.80% - 7.16%	2040	903,860	-	39,240	864,620	41,675
Municipal Power Authority	2006-2022	0.46% - 6.44%	2047	570,955	297,978	288,800	580,133	24,250
Higher Education	2001-2021	0.05%-7.00%	2052	1,727,015	172,990	54,923	1,845,082	79,682
Total Before Discounts/Deferrals				\$ 5,260,928	\$ 500,968	\$ 574,071	\$ 5,187,825	\$ -
Adjusted for: Bond (Discount) Premiums				365,270	57,594	60,577	362,287	
Total Revenue Bonds Payable				\$ 5,626,198	\$ 558,562	\$ 634,648	\$ 5,550,112	\$ 207,847
Net of Bond (Discounts) Premiums								
<b>Notes Payable:</b>								
Multiple Injury Trust Fund	2000-2001	7.00%	2023	\$ 4,120	\$ -	\$ 2,706	\$ 1,414	\$ 1,414
Oklahoma Turnpike Authority	2021	2.27%	2024	50,000	-	-	50,000	-
Student Loan Authority	2016-2021	0.70%-2.40%	2036	26,574	117,220	46,407	97,387	-
OSU Medical Authority	2014	4.12%	2022	2,418	-	2,418	-	-
Municipal Power Authority	2003	6.00%	2029	28,048	-	2,834	25,214	3,004
Higher Education	2001-2022	1.08%-6.00%	2046	12,443	5,589	1,093	16,939	1,048
Total				\$ 123,603	\$ 122,809	\$ 55,458	\$ 190,954	\$ 5,466
<b>Right to Use Leases:</b>								
Education Television Authority				\$ -	\$ 831	\$ 261	\$ 570	\$ 186
Grand River Dam Authority				2	-	2	-	-
OSU Medical Authority				52	2,546	699	1,899	1,072
Development Finance Authority				-	17	3	14	3
Higher Education				889,715	237,962	86,219	1,041,458	87,217
Total				\$ 889,769	\$ 241,356	\$ 87,184	\$ 1,043,941	\$ 88,478
<b>Claims and Judgments</b>								
Due to Primary Government				\$ 480,767	\$ 33,124	\$ 51,675	\$ 462,216	\$ 52,282
Compensated Absences				55,514	1,957	-	57,471	3,269
Net Pension Liability				145,268	73,931	85,517	133,682	76,837
Other Postemployment Benefits				2,196,203	2,523	1,077,929	1,120,797	-
Other Noncurrent Liabilities				376,669	10,156	55,666	331,159	-
Total Long-Term Obligations				\$ 933,045	\$ 862,703	\$ 859,246	\$ 936,502	\$ 861,257
Total Long-Term Obligations				\$ 10,857,036	\$ 1,907,121	\$ 2,907,323	\$ 9,856,834	\$ 1,295,436

The following table presents annual debt service requirements for those long-term obligations outstanding at June 30, 2022 (September 30, 2021, for Oklahoma Housing Finance Agency and December 31, 2021, for Oklahoma Transportation Authority, Grand River Dam Authority and Oklahoma Municipal Power Authority), which have scheduled debt service amounts (expressed in thousands):

	2023	2024	2025	2026	2027	2028-2032	2033-2037	2038-2042	2043-2047	2048-2052	2053-2057	Total
<b>General Obligation Bonds:</b>												
Industrial Finance Authority	\$ 495	\$ 495	\$ 10,371	\$ 330	\$ 10,248	\$ 10,248	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,187
Less: Interest	495	495	371	330	248	248	-	-	-	-	-	2,187
<b>Total Principal</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,000</b>	<b>\$ -</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 30,000</b>
<b>Revenue Bonds:</b>												
Development Finance Auth.	\$ 50	\$ 49	\$ 50	\$ 49	\$ 50	\$ 3,841	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,089
Housing Finance Agency	11,979	11,035	13,689	13,563	13,465	52,857	52,361	47,289	39,282	22,147	-	277,667
Turnpike Authority	128,163	137,528	137,376	137,213	137,041	603,303	435,344	435,346	435,347	174,140	-	2,760,801
Grand River Dam Authority	82,687	82,130	86,081	83,934	84,673	395,729	286,727	134,130	-	-	-	1,236,091
Municipal Power Authority	47,080	47,169	40,872	40,895	40,898	184,247	145,193	148,485	150,991	30,199	-	876,029
Higher Education	146,974	147,820	147,373	145,983	144,140	662,577	564,004	403,806	215,028	66,854	1,414	2,645,973
	\$ 416,933	\$ 425,731	\$ 425,441	\$ 421,637	\$ 420,267	\$ 1,902,554	\$ 1,483,629	\$ 1,169,056	\$ 840,648	\$ 293,340	1,414	\$ 7,800,650
Less: Interest	209,086	201,142	192,588	183,250	173,309	713,396	486,721	297,256	137,259	18,784	34	2,612,825
<b>Total Principal</b>	<b>\$ 207,847</b>	<b>\$ 224,589</b>	<b>\$ 232,853</b>	<b>\$ 238,387</b>	<b>\$ 246,958</b>	<b>\$ 1,189,158</b>	<b>\$ 996,908</b>	<b>\$ 871,800</b>	<b>\$ 703,389</b>	<b>\$ 274,556</b>	<b>\$ 1,380</b>	<b>\$ 5,187,825</b>
<b>Notes Payable:</b>												
Multiple Injury Trust Fund	\$ 1,451	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,451
Turnpike Authority	1,137	1,137	50,568	-	-	-	-	-	-	-	-	52,842
Student Loan Authority	2,320	2,321	2,320	2,321	2,320	11,602	107,227	-	-	-	-	130,431
Municipal Power Authority	4,517	4,517	4,517	4,517	4,517	9,032	-	-	-	-	-	31,617
Higher Education	1,877	6,117	5,766	2,442	316	1,183	1,087	1,087	871	-	-	20,746
	\$ 11,302	\$ 14,092	\$ 63,171	\$ 9,280	\$ 7,153	\$ 21,817	\$ 108,314	\$ 1,087	\$ 871	\$ -	\$ -	\$ 237,087
Less: Interest	5,836	5,573	4,464	3,519	3,177	12,920	10,275	280	89	-	-	46,133
<b>Total Principal</b>	<b>\$ 5,466</b>	<b>\$ 8,519</b>	<b>\$ 58,707</b>	<b>\$ 5,761</b>	<b>\$ 3,976</b>	<b>\$ 8,897</b>	<b>\$ 98,039</b>	<b>\$ 807</b>	<b>\$ 782</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 190,954</b>
<b>Right to Use Leases:</b>												
Education Television Auth.	\$ 188	\$ 131	\$ 77	\$ 23	\$ 22	\$ 65	\$ 18	\$ 18	\$ 18	\$ 18	\$ 3	581
Development Finance Auth.	4	3	4	3	1	-	-	-	-	-	-	15
OSU Medical Authority	1,153	431	253	188	13	-	-	-	-	-	-	2,038
Higher Education	124,391	118,178	112,498	106,282	106,344	409,839	192,909	129,637	44,443	5,600	244	1,350,365
	\$ 125,736	\$ 118,743	\$ 112,832	\$ 106,496	\$ 106,380	\$ 409,904	\$ 192,927	\$ 129,655	\$ 44,461	\$ 5,618	\$ 247	\$ 1,352,999
Less: Interest	37,258	34,437	31,626	28,879	26,933	86,607	39,864	18,497	4,523	425	9	309,058
<b>Total Principal</b>	<b>\$ 88,478</b>	<b>\$ 84,306</b>	<b>\$ 81,206</b>	<b>\$ 77,617</b>	<b>\$ 79,447</b>	<b>\$ 323,297</b>	<b>\$ 153,063</b>	<b>\$ 111,158</b>	<b>\$ 39,938</b>	<b>\$ 5,193</b>	<b>\$ 238</b>	<b>\$ 1,043,941</b>
<b>Total</b>	<b>\$ 301,791</b>	<b>\$ 317,414</b>	<b>\$ 382,766</b>	<b>\$ 321,765</b>	<b>\$ 340,381</b>	<b>\$ 1,531,352</b>	<b>\$ 1,248,010</b>	<b>\$ 983,765</b>	<b>\$ 744,109</b>	<b>\$ 279,749</b>	<b>1,618</b>	<b>\$ 6,452,720</b>
Adjusted for: Net Discounts and Deferred Debits on Refundings												362,287
<b>Long-Term Obligations without scheduled debt service:</b>												
Claims and Judgments												462,216
Due to Primary Government												57,471
Compensated Absences												133,682
Net Pension Liability												1,120,797
Other Postemployment Benefits												331,159
Other Noncurrent Liabilities												936,502
<b>Total Long-Term Obligations</b>												<b>\$ 9,856,834</b>

## A. General Obligation Bonds

Oklahoma Industrial Finance Authority has three series of general obligation bonds outstanding. These bonds are issued for the funding of industrial finance loans to encourage business development within the state. All revenues arising from the net proceeds from repayment of industrial finance loans and interest received thereon are pledged under these bond issues. In addition, these general obligation bonds are backed by the full faith and credit of the state.

## **B. Revenue Bonds**

The Oklahoma Development Finance Authority has issued revenue bonds to fund loans to various investment enterprises in connection with the Quality Jobs Investment Program. The bonds are payable solely from and secured by the revenues and funds in the Quality Jobs Investment Program and a Credit Enhancement Reserve Fund guarantee insurance policy. The interest rates are variable and equal to the Oklahoma Industrial Finance Authority's cost of funds on its outstanding variable rate bond issues. The interest rate at June 30, 2022, was 4.65%.

The Oklahoma Housing Finance Agency has issued seven series of revenue bonds with outstanding balances at year end. The net proceeds of these bonds are used to provide financing for qualifying residences, provide interim and permanent financing for multifamily construction projects, and establish debt service reserves as required by the various trust indentures.

The Oklahoma Turnpike Authority has eight series of revenue bonds outstanding with an original issue amount of \$1,875,000,000. The bonds are issued for the purpose of financing capital improvements and new projects relating to the state's turnpike system and are financed primarily by tolls assessed on users of the turnpikes.

The Grand River Dam Authority has six series of revenue bonds outstanding with an original issue amount of \$1,059,525,000. Oklahoma statutes have authorized Grand River Dam Authority to issue revenue bonds with the aggregate outstanding indebtedness not to exceed \$1,410,000,000.

The Oklahoma Municipal Power Authority (OMPA) has eight series of revenue bonds outstanding. The bonds were issued to finance portions of OMPA's acquisition and construction activities. The bonds are payable from and collateralized by a pledge of and security interest in the proceeds of the sale of the bonds, the revenues of OMPA, and assets in the funds established by the respective bond resolutions. Neither the State of Oklahoma nor any political subdivision thereof is obligated to pay principal or interest on the bonds. OMPA does not have any taxing authority. Certain series of the bonds have a variable interest rate which is established either by auction or a weekly index. The maximum rate is 14%.

Eight of the state's colleges and universities within the higher education component unit have authorized and issued 47 series of revenue bonds with an original issue amount of \$2,315,228,000. These bonds were issued for the construction of student housing and other facilities. Student fees, revenues produced by the constructed facilities, and other revenues collateralize the revenue bonds.

## **C. Defeased Bonds**

In prior years, component units have defeased bonds by placing assets in irrevocable trusts to provide for all future debt service payments on the defeased bonds. Accordingly, the assets of the trusts and the liabilities for the defeased bonds are not included in the accompanying financial statements. Oklahoma Municipal Power Authority had defeased bonds outstanding at December 31, 2021, totaling \$293,505,000.

## **D. Notes Payable**

The Multiple Injury Trust Fund (MITF) component unit reports a note payable to CompSource Oklahoma of \$1,414,000 as permitted by statute. Included in this note payable is a \$6,000,000 advance on a line of credit. The note and line of credit bear interest at a 7% rate and are payable over 30 years in quarterly installments. The note and line of credit are collateralized by MITF revenues and any equity or other interests available to MITF.

In 2021, Oklahoma Turnpike Authority closed on a \$50,000,000 subordinate junior obligation note, maturing in 2024, with a fixed interest rate of 2.274%. The note is structured as a line of credit and is secured by the credit of the general fund.

Notes for the Oklahoma Student Loan Authority are issued to fund student loans and are primarily secured by the student loans receivable, related accrued interest and by the amounts on deposit in the accounts established under the respective financing agreements. Variable interest rates are adjusted periodically based on prevailing market rates of various instruments as prescribed in lending agreements. At year end the variable interest rate was 2.4%.

OMPA has issued \$57,739,000 in a taxable limited obligation note. The note is payable solely from lease payments made by FPL Energy Oklahoma Wind, LLC, with no recourse to OMPA. The note bears an interest rate of 6%, and annual principal and interest payments are due through December 31, 2028.

The higher education component unit entered into various notes payable agreements. Lease payments, a pledge of “Section Thirteen Fund State Educational Institutions” monies, the equipment purchased, and the facilities constructed are pledged as collateral on the notes.

### E. Right to Use Leases

Oklahoma Educational Television Authority has various leases for office and production space and equipment, translator sites, satellite transponder services, transmission facilities and fiber connections. Lease obligations as of June 30, 2022, total \$570,000, and will be expire at various years through 2053.

Oklahoma State University Medical Authority leases equipment and office space, the terms of which expire in various years through 2027. The leases were measured based upon the consumer price index at lease commencement and have a principal value of \$1,899,000, on June 30, 2022.

Oklahoma Development Improvement Authority entered into an agreement for managed print services. The outstanding lease principal is \$14,000, on June 30, 2022. The lease term is for five years with an interest rate of 0.21%.

A significant number of the state’s colleges and universities within the higher education component unit have entered into agreements with Oklahoma Capital Improvement Authority and Oklahoma Development Financing Authority to lease various facilities, equipment, and improvements. Agreements are for various interest rates and terms which will be fulfilled in various years through 2052. The outstanding principal balance for the leases on June 30, 2022, is \$997,412,000. Only the principal balance of the leases is recognized since it is equivalent to the value of the items leased.

Most of the state’s colleges and universities within the higher education component unit have right to use lease agreements for various equipment usage and office space. Agreements are for varying interest rates and terms which will expire at numerous times through 2057. These leases have a principal value of \$44,046,000, on June 30, 2022.

Leased assets under right to use leases in capital assets at June 30, 2022, included the following (expressed in thousands):

	Land and Buildings	Equipment	Total
Present value of minimum lease payments	\$ 36,262	\$ 27,023	\$ 63,285
Less: Accumulated amortization	(7,261)	(10,605)	(17,866)
Total	<u>\$ 29,001</u>	<u>\$ 16,418</u>	<u>\$ 45,419</u>

### F. Other Liabilities

Claims and judgments, due to primary government, compensated absences, and other noncurrent liabilities of each component unit, as presented in the financial statements, will be liquidated by the reporting component unit. Other noncurrent liabilities include unearned revenue and other miscellaneous liability amounts. These liabilities do not have scheduled future debt service requirements beyond one year.

### G. Authorized Unissued Bonds

By statute, Oklahoma Industrial Finance Authority has authority to issue general obligation bonds not to exceed \$90,000,000 plus the balance in its bond redemption account. This results in \$60,000,000 of authorized but unissued general obligation bonds.

Oklahoma state statutes have authorized the Grand River Dam Authority to issue revenue bonds from time to time with the aggregate outstanding indebtedness not to exceed \$1,410,000,000. As of December 31, 2021, the Grand River Dam Authority was authorized to issue an additional \$506,140,000 of revenue bonds.



## **Note 12. Net Position/Fund Balance**

### **Beginning Net Position and Other Restatements**

#### **Primary Government**

Beginning net position related to governmental activities on the Statement of Activities was restated due to corrections of accounting errors (decrease of \$440,000), a cumulative change in capital assets (increase of 20,381,000), and a cumulative change in accounting principle (adoption of GASB Statement number 87 resulting in an decrease of \$22,661,000). The net effect of the restatements decreased beginning net position by \$2,720,000 on July 1, 2021.

#### **Permanent Funds**

Beginning net position related to Commissioners of the Land Office on the Statement of Revenues, Expenditures and Change in Fund Balance was restated due to a cumulative change in accounting principle (adoption of GASB Statement number 87). The net effect of the restatement decreased beginning net position by \$22,661,000, as of July 1, 2021.

#### **Component Units**

Beginning net position for component units was restated due to corrections of accounting errors (increase of \$537,000) and a cumulative change in accounting principle (adoption of GASB Statement number 87 resulting in an decrease of \$35,000). The net effect of the restatements increased beginning net position by \$502,000, as of July 1, 2021.

#### **Governmental Fund Balance**

The Governmental Fund Financial Statements present fund balance at the aggregate level of detail within the categories defined by GASB Statement number 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The table below represents the detailed amount of fund balance available to each functional level of government within those categories. This table also contains a separate detailed categorization for the state's Constitutional Reserve or "Rainy Day" fund (CRF) if a balance is available at the end of fiscal year (expressed in thousands):

	Permanent Funds				Total Governmental Funds
	General	Commissioners of the Land Office	Department of Wildlife Lifetime Licenses	Tobacco Settlement Endowment	
<b>Nonspendable</b>					
Inventories	\$ 89,695	\$ -	\$ -	\$ -	\$ 89,695
Prepays	363	-	-	-	363
Permanent Fund Principal	-	2,584,276	99,789	1,306,413	3,990,478
<b>Restricted</b>					
Education	25,695	-	-	-	25,695
Government Administration	523,790	-	-	-	523,790
Health Services	215,946	-	-	-	215,946
Legal and Judiciary	19,957	-	-	-	19,957
Museums	889	-	-	-	889
Natural Resources	5,611	-	-	-	5,611
Safety and Defense	20,467	-	-	-	20,467
Regulatory Services	28,196	-	-	-	28,196
Social Services	3,926	-	-	-	3,926
Transportation	-	-	-	-	-
Constitutional Reserve ("Rainy Day")	788,370	-	-	-	788,370
<b>Committed</b>					
Education	513,981	-	-	-	513,981
Government Administration	4,957,738	-	-	113,054	5,070,792
Health Services	920,704	-	-	-	920,704
Legal and Judiciary	100,447	-	-	-	100,447
Museums	5,485	-	-	-	5,485
Natural Resources	218,424	-	-	-	218,424
Safety and Defense	209,365	-	-	-	209,365
Regulatory Services	193,776	-	-	-	193,776
Social Services	356,680	-	-	-	356,680
Transportation	951,148	-	-	-	951,148
Assigned	-	-	-	155,318	155,318
<b>Unassigned</b>					
Constitutional Reserve ("Rainy Day")	262,790	-	-	-	262,790
<b>Total Fund Balances</b>	<b>\$ 10,413,443</b>	<b>\$ 2,584,276</b>	<b>\$ 99,789</b>	<b>\$ 1,574,785</b>	<b>\$ 14,672,293</b>

Nonspendable fund balance represents amounts that are not in spendable form. These amounts are not expected to be converted to cash. The state's primary forms of nonspendable fund balance are inventories and prepaid items such as rent or postage. Nonspendable fund balance also includes principal amounts within each respective permanent fund that is legally required to be maintained into perpetuity.

Restricted fund balance represents amounts that have constraints upon their use through either outside creditors, grantors, contributors or other governments as well as those amounts restricted through constitutional provisions or enabling legislation that can be legally enforced by parties outside the government. The state's general fund restricted fund balance is primarily comprised of amounts yet to be expended under federal grant awards, imminent payments on outstanding bond issues, long-term receivables that must be used for debt repayment, and 75% of any available balance in the CRF. The Commissioners of the Land Office Permanent Fund is restricted for educational systems. Fund balance as restricted by the various constraints in the general fund for the fiscal year ended June 30, 2022, were as follows (expressed in thousands):

	General Fund - Restricted			
	For Debt Service Only	Federal Cash	By Enabling Legislation	Restricted Fund Balance
Restricted				
Education	\$ -	\$ 25,695	\$ -	\$ 25,695
Government Administration	511,148	12,642	-	523,790
Health Services	254	215,692	-	215,946
Legal and Judiciary	-	19,957	-	19,957
Museums	-	889	-	889
Natural Resources	4,265	1,346	-	5,611
Safety and Defense	163	20,304	-	20,467
Regulatory Services	27,999	197	-	28,196
Social Services	888	3,038	-	3,926
Transportation	-	-	-	-
Constitutional Reserve ("Rainy Day")	-	-	788,370	788,370
Total Restricted Fund Balance	<u>\$ 544,717</u>	<u>\$ 299,760</u>	<u>\$ 788,370</u>	<u>\$ 1,632,847</u>

Committed fund balance is presented for each respective function of government as directed by the state's highest level of decision-making authority. Along with ratification by the governor, the Senate and the House of Representatives write, prepare and approve legislative bills to allocate the state's available resources each fiscal year. This process is a formal legislative action constituting the highest level of decision-making authority. Once this authority is exercised, the same action must be taken to modify or rescind a previously approved bill or allocation of resources.

Under generally accepted accounting principles reporting, the nonspendable and restricted fund balance categories are considered restricted fund balance. The committed, assigned and unassigned fund balances are considered unrestricted fund balance. Generally, when the state has both restricted and unrestricted resources available, the restricted balances will be used first as expenditures are incurred if conditions that created the restriction are met. When unrestricted fund balance is used, the order of use would generally be committed, then assigned, and finally unassigned.

Article 10, Section 23, of the state Constitution establishes a stabilization arrangement under certain conditions where revenues collected exceed estimates made by the Oklahoma State Board of Equalization (board). Each year the board determines the amount available for allocation by the legislature not to exceed 95% of the board's estimate, or general revenue fund certification amount. In any year in which amounts collected exceed 100% of the board's estimated revenues, the excess is placed in the CRF until the fund reaches 15% of the general revenue fund certification amount for the preceding fiscal year.

Up to 37.5% of the balance in the fund at the beginning of the year may be appropriated for the forthcoming fiscal year when the board's estimate is lower than the current fiscal year certification. An additional 37.5% of the CRF at the beginning of the year may be appropriated for the current year if the board determines that a revenue failure has occurred with respect to the general revenue fund for the current year. The remaining 25% of the balance in the CRF may be appropriated upon a declaration by the governor that emergency conditions exist with concurrence by a two-thirds vote within the Senate and House of Representatives. This same 25% may also be appropriated through a joint declaration of emergency by both the Senate and House of Representatives with a concurrent 3/4ths vote by each legislative body.

Due to the different methods for accessing the CRF, any balance with the fund at year end is presented as 75% restricted and 25% unassigned. This split in presentation most closely aligns the government's ability to access these funds with the proper fund balance classification. The total CRF balance on June 30, 2022, was \$1,051,160,000, with \$788,370,000 presented as restricted fund balance and \$262,790,000 as unassigned fund balance.

The Tobacco Settlement Endowment Trust Fund's assigned fund balance classification reflects amounts that are constrained by the fund's intent to be used for specific purposes. For purposes of assigned fund balance, the fund's board of directors has authority to assign funds for specific purposes. Prior to 2012, the board of directors determined that 10% of the unassigned fund balance would be designated as a reserve for future periods, should annual earnings prove insufficient to cover expenses. In November 2011, the board of directors chose to limit yearly expenditures of certified earnings to no more than 5% of the corpus of the fund, with any unexpended certified earnings added to the reserve. For the fiscal year ended June 30, 2022, the assigned fund balance was \$155,318,000.

## **Note 13. Nonrecourse Debt and Debt Guarantees**

### **Nonrecourse (Conduit) Debt, Notes Receivable and Funds in Trust**

Financing agreements of Oklahoma Development Finance Authority (ODFA) and Oklahoma Housing Finance Agency (OHFA) are structured such that the debt is to be repaid solely from the revenues derived from the related facilities leased or acquired, or from the disposition of collateral. ODFA and OHFA do not hold notes receivable and trust investments in amounts equal to the long-term financings. As of September 30, 2021, OHFA had nine series of multifamily bonds outstanding with an aggregate principal amount payable of approximately \$117,744,000. These financings are not general obligations of the state or state agencies, and it is the opinion of agency management and its legal counsel that, in the event of default by a borrower, the state has no responsibility for repayment of such financings. Accordingly, the nonrecourse debt and the related notes receivable and trust investments of ODFA's and OHFA's multifamily bond programs have been excluded from the financial statements. The debt and other obligations and the related notes receivable and other assets of OHFA's single family bonds are presented in the financial statements, since any assets remaining when the single-family bond programs are liquidated are transferred to OHFA.

### **Credit Enhancement Reserve Fund**

Under the State Constitution, ODFA may issue bonds of the state, to be known as Credit Enhancement Reserve Fund General Obligation Bonds, in a total principal amount of \$100,000,000, for the sole purpose of generating resources if there are insufficient assets to meet insurance obligations. The fund is managed, administered, and utilized by ODFA solely to secure the payment of interest insurance on the revenue bonds and other financial obligations issued by the Authority for the specific purpose of enhancing and supporting the credit of such obligations. As of June 30, 2022, there were approximately \$18,690,000 of outstanding financial obligations insured by ODFA. At year end, the fund has accrued a reserve for losses of approximately \$633,000 to cover potential losses from outstanding financial obligations insured by the fund. Through June 30, 2022, there have been no Oklahoma Credit Enhancement Reserve Fund General Obligation Bonds issued since, and it is the full intention of ODFA to utilize the fund's existing available net assets to meet obligations arising from losses insured by the fund.

## Note 14. Retirement and Pension Systems

### A. Plan Description

The State of Oklahoma has six public employee retirement systems that administer pension plans: Oklahoma Firefighters Pension and Retirement System (OFPRS), Oklahoma Law Enforcement Retirement System (OLERS), Oklahoma Public Employees Retirement System (OPERS), Uniform Retirement System for Justices and Judges (URSJJ), Oklahoma Police Pension and Retirement System (OPPRS), and the Teachers' Retirement System of Oklahoma (TRS). These plans are all fiduciary component units of the state. The Department of Wildlife Conservation (ODWC) administers the Wildlife Conservation Retirement Plan (WCRP), which is part of the primary government.

OFPRS, OPERS, OPPRS, and TRS are all cost-sharing, multi-employer defined benefit retirement systems. URSJJ, OLERS and WCRP are single-employer, defined benefit retirement systems. Pension benefit provisions for all plans are established by statute and benefit provisions are amended by the state legislature. Each plan provides retirement, disability, and death benefits to plan members and their beneficiaries. Cost-of-living adjustments are provided to plan members at the discretion of the state legislature. The information and schedules which follow are the representation of the respective state and local governmental employer pension plans which are administered through trusts.

Separately issued independent audit reports for each pension plan may be obtained from the following:

Firefighters Pension and Retirement 6601 Broadway Extension, Suite 100 Oklahoma City, OK 73116 <a href="https://www.ok.gov/fprs">https://www.ok.gov/fprs</a>	Law Enforcement Retirement 421 NW 13th Street, Suite 100 Oklahoma City, OK 73103 <a href="https://www.olders.state.ok.us">https://www.olders.state.ok.us</a>	Police Pension and Retirement 1001 NW 63rd Street, Suite 305 Oklahoma City, OK 73116 <a href="https://www.opprs.ok.gov">https://www.opprs.ok.gov</a>
Public Employees Retirement PO Box 53007 Oklahoma City, OK 73152 <a href="https://www.opers.ok.gov">https://www.opers.ok.gov</a>	Uniform Retirement System for Justices and Judges PO Box 53007 Oklahoma City, OK 73152 <a href="https://www.opers.ok.gov">https://www.opers.ok.gov</a>	Teachers' Retirement System PO Box 53524 Oklahoma City, OK 73152 <a href="https://oklahoma.gov/trs">https://oklahoma.gov/trs</a>
	Department of Wildlife Conservation PO Box 53465 Oklahoma City, OK 73152 <a href="https://www.wildlifedepartment.com">https://www.wildlifedepartment.com</a>	

### B. Summary of Significant Accounting Policies

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the respective pension plans and additions to/deductions from plans fiduciary net position is determined on the same basis as they are reported by each pension plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

Component units of the State of Oklahoma may participate in additional pension plans that are not reported as part of the state's structure. As a result, net pension asset/liability and deferred inflows/outflows related to pensions on the related financial statements may exceed that reported in the Notes to the Financial Statements. For further information, separately audited component unit financial statements may be obtained by contacting the Office of Management and Enterprise Services, 2401 N. Lincoln Blvd., Suite 226, Oklahoma City, OK 73105.

### C. Eligibility Factors and Benefit Provisions

#### Provisions

#### OFPRS as of July 1, 2021

- |                                     |   |
|-------------------------------------|---|
| a. Eligible to Participate          | All eligible firefighters of a participating municipality or a fire protection district who perform the essential functions of fire suppression, prevention, and life safety duties in a fire department  |
| b. Period Required to Vest          | Ten years of credited service if employed prior to November 1, 2013; 11 years of credited service if employed after November 1, 2013  |
| c. Eligibility for Distribution     | Normal retirement after completion of 20 years of service if employed prior to November 1, 2013; age 50 with 22 years of service if employed after November 1, 2013; disability retirement upon disability; death benefit of \$5,000 payable to the qualified spouse or designated recipient upon the participant's death |
| d. Benefit Determination Base       | Final average salary - the average paid gross salary of the firefighter for normally scheduled hours over the highest salaried 30 consecutive months of the last 60 months of credited service  |
| e. Benefit Determination Methods:   |   |
| Normal Retirement                   | Paid firefighters: 50% of the firefighter's final average salary if hired before November 1, 2013, 55% of the firefighter's final average salary if hired after. Volunteer firefighters: \$150.60 per month, if hired before November 1, 2013, \$165.66 per month, if hired after.  |
| Disability - Paid Firefighters      | 2.5% of the firefighter's final average salary per year of service, with a minimum service credit of 20 years and maximum of 30 years; for disabilities not in the line of duty, 50% of final average monthly compensation is based on 60 months instead of 30 months   |
| Disability - Volunteer Firefighters | \$7.53 per month per year of service, with a maximum of 30 years; for disabilities or deaths in the line of duty, there is a minimum service credit of 20 years   |
| f. Benefit Authorization            | Benefits are established in accordance with Title 11 of the Oklahoma Statutes, Section 49-100.1 through 49-143.7, as amended  |
| g. Form of Benefit Payments         | Straight life annuity; survivor benefit: joint and 100% survivor annuity if firefighter was married 30 months prior to death  |

Provisions

OLERS as of July 1, 2021

- a. Eligible to Participate  
All law enforcement officers of the Oklahoma Highway Patrol and Capitol Patrol of Department of Public Safety (DPS), Oklahoma State Bureau of Investigation, Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, Alcoholic Beverage Laws Enforcement Commission, certain members of the Grand River Dam Authority, certain members of the DPS Communications Division, DPS Waterways Lake Patrol, park rangers, park managers, and park supervisors of the Oklahoma Tourism and Recreation Department, inspectors of the Oklahoma State Board of Pharmacy, and Oklahoma University and Oklahoma State University campus police officers are eligible upon employment
- b. Period Required to Vest  
Ten years of credited service
- c. Eligibility for Distribution  
Normal retirement 20 years of service or age 62 with 10 years of service; maximum with 20 years of service, unless considered physically able to continue; disability benefit upon determination of disability incurred in the line of duty; disability benefit not in the line of duty after three years of vesting service; death benefit of \$5,000 payable to the designated beneficiary
- d. Benefit Determination Base  
Final average salary – the average of the highest 30 consecutive complete months of compensation in which required contributions are made
- e. Benefit Determination Methods:
  - Normal Retirement  
2.5% of member’s final average salary multiplied by the years and completed months of credited service; no maximum on service
  - Disability Retirement:
    - Duty  
The greater of: 1) 2.5% of the final average salary multiplied by number of years and completed months of credited service, or 2) 50% of final average salary
    - Non-Duty  
2.5% of the final average salary multiplied by years and completed months of credited service
- f. Benefit Authorization  
Benefits are established in accordance with Title 47 of the Oklahoma Statutes, Chapter 2, Article III, Section 2-300 through 2-315 as amended
- g. Form of Benefit Payments  
100% Joint and Survivor Annuity, if member married 30 months prior to death

Provisions

OPERS as of July 1, 2021

a. Eligible to Participate

All permanent employees of the State of Oklahoma, and any other employer such as a county, county hospital, city or town, conservation district, circuit engineering district, and any trust in which a county, city, or town participates and is the primary beneficiary, are eligible to join if:

- The employee is not eligible for or participating in another retirement system authorized under Oklahoma law, is covered by Social Security and not participating in the U.S. Civil Service Retirement System
- The employee is scheduled for at least 1,000 hours per year and salary is not less than the hourly rate of the monthly minimum wage for state employees (for employees of local government employers, not less than the hourly rate of the monthly minimum wage for such employees)

b. Period Required to Vest

Eight years of credited service

c. Eligibility for Distribution

Normal retirement:

- Member before November 1, 2011, one of the following:

Age 62 with six years of credited service

80 points - The sum of age and years of service equals 80 if member before July 1, 1992

90 points - The sum of age and years of service equals 90 if member after June 30, 1992

- Member on or after November 1, 2011, one of the following:

Age 65 with six years of credited service; for elected officials age 62 with ten years of elected service, or age 65 with eight years of elected service

90 points – The sum of age and years of service equals 90 and minimum age of 60

Disability benefit after eight years of service, provided member qualifies for disability benefits from the Social Security Administration

Death benefit of \$5,000 payable upon death of retiree to the designated beneficiary

d. Benefit Determination Base

Final average salary – member before July 1, 2013, the average of the 36 highest months of compensation earned within the last 10 years of service (including highest three longevity payments); member after July 1, 2013, the





- e. Benefit Determination Methods:
  - Normal Retirement 4% of member’s final average compensation multiplied by years of credited service not to exceed 100% of final average salary
  - Disability Retirement Same as normal retirement
- f. Benefit Authorization Benefits are established in accordance with Title 20 of the Oklahoma Statutes, Chapter 16, Section 1101 through 1111 as amended
- g. Form of Benefit Payments Single-life, Joint and 50% Survivor, Joint and 100% Survivor

Provisions

OPPRS as of July 1, 2021

- a. Eligible to Participate All eligible officers of a participating municipality and any person hired by a participating municipality who is undergoing police training to become a permanent police officer; works more than 25 hours per week and is not less than 21 or more than 45 years of age when accepting membership
- b. Period Required to Vest Ten years of credited service
- c. Eligibility for Distribution
  - Normal retirement upon later of 50 years of age or completing 20 years of credited service
  - Total Disability (Duty): upon determination of total disability; Total Disability (Non-Duty): upon determination of disability after 10 years of service
  - Death benefit of \$5,000 payable upon death of retiree to the designated beneficiary
- d. Benefit Determination Base Final average salary – average base salary for normally scheduled hours over the highest salaried 30 consecutive months of the last 60 months of credited service.
- e. Benefit Determination Methods:
  - Normal Retirement 2.5% of member’s final average salary multiplied by years of credited service not to exceed 30 years
  - Disability Retirement
    - Total Disability (Duty): 50% of final average salary
    - Total Disability (Non-Duty): 2.5% of final average salary multiplied by years of credited service not to exceed 30 years
    - Partial Disability (Duty): final average salary reduced by the percent of impairment, as outlined in the “American Medical Association’s Guide to the Evaluation of Permanent Impairment”
    - Partial Disability (Non-Duty): 2.5% of final average salary multiplied by years of credited service (maximum of 30 years) reduced by the percentage of impairment, as

outlined in the “American Medical Association’s Guide to the Evaluation of Permanent Impairment.”

f. Benefit Authorization

Benefits are established in accordance with Title 11 of the Oklahoma Statutes, Chapter 1, Section 50-101 through 50-136.9 as amended

g. Form of Benefit Payments

Joint and 100% Survivor Annuity if the member was married 30 months prior to death.

Provisions

TRS as of July 1, 2021

a. Eligible to Participate

All employees of any public school in Oklahoma, including public colleges and universities

b. Period Required to Vest

Five years of credited service. Seven years of credited service for members joining after October 31, 2017.

c. Eligibility for Distribution

Normal retirement:

- Member before November 1, 2011 – age 62 with 5 years of service
- Member after October 31, 2011 – age 65 with 5 years of service or age 60 and the age and number of years of service totals 90
- Member before July 1, 1992 – age and the number of years of creditable service total 80
- Member on or after July 1, 1992 but prior to November 1, 2011 – age and the number of years totals 90
- Members joining after October 31, 2017, must have credit for seven or more years of service.

Early retirement:

- Member prior to November 1, 2011 – Age 55 and 5 years of service or upon completion of 30 years of service
- Member after October 31, 2011 – Age 60 and 5 years of service
- Members joining after October 31, 2017, must have credit for seven or more years of service.

Disability benefit after 10 years of service

Death benefit of \$5,000 payable upon death of retiree to the designated beneficiary

d. Benefit Determination Base

Final average salary – For those becoming members before July 1, 1992, the compensation for the 3 years on which the highest contributions are paid; for persons becoming members after June 30, 1992, the compensation for the 5 years on which the highest consecutive contributions are paid

- e. Benefit Determination Methods:
- Normal Retirement 2% of member's final average salary multiplied by years of credited service subject to the compensation limits in Title 70, Chapter 1, Article 17, Section 17-101(28) and 17-116.2C.
- Disability Retirement Same as normal retirement
- f. Benefit Authorization Benefits are established in accordance with Title 70 of the Oklahoma Statutes, Chapter 1, Article 17, Section 17-101 through 17-121 as amended
- g. Form of Benefit Payments Straight Life Annuity, Joint and 50% Survivor, Joint and 100% Survivor

Provisions

WCRP as of July 1, 2021

- a. Eligible to Participate Employees with a hire date prior to July 1, 2010; plan was frozen as of July 1, 2010
- b. Period Required to Vest Ten years of credited service
- c. Eligibility for Distribution Normal retirement – Age 65
- Early retirement:
- Age 55 and 15 years of service; benefit reduced 2% for each year benefit received prior to age 62
  - Age 55 and sum of age and years of continuous service equals 85
- d. Benefit Determination Base Final average salary – Highest three years annual covered compensation received during the last 10 years of participating service
- e. Benefit Determination Methods:
- Normal Retirement 2.5% of member's final average salary multiplied by years of credited service; employees hired after July 1, 1995, the maximum benefit is 85% of final average salary with minimum benefit of \$50 per month
- Disability Retirement Same as normal retirement
- f. Benefit Authorization Benefits are established in accordance with Title 29 of the Oklahoma Statutes, Chapter 1, Article 3, Section 3-306
- g. Form of Benefit Payments Lifetime benefit

#### D. Employees Covered by Benefit Terms

	OFPRS	OLERS	OPERS	URSJJ	OPPRS	TRS	WCRP
Active Employees	12,240	1,190	31,711	264	5,923	89,945	181
Deferred Vested Former Employees	2,310	37	6,133	17	157	27,212	26
Retirees or Retiree Beneficiaries	11,686	1,562	36,351	306	4,082	67,016	247
Total	26,236	2,789	74,195	587	10,162	184,173	454

#### E. Contribution Requirements

*Oklahoma Firefighters Pension and Retirement System:* The authority to set and amend contribution rates is established by ordinance for OFPRS defined benefit plan in accordance with Title 11 of the Oklahoma Statutes, Section 49-100.6. The contribution rates for the current fiscal year are made in accordance with Oklahoma statute. The rate is 9% for employees of their covered salary and 14% for employers of covered payroll as of July 1, 2021. Municipalities with revenues in excess of \$25,000 contribute \$60 per year for each volunteer firefighter. Prior to November 1, 2013, the rate was 8% for employees, 13% for employers, and municipalities contributed \$60 per year for each volunteer firefighter. The state contributes a portion of the insurance premium tax collected through its taxing authority. Currently, this contribution is 25.2% of insurance premium tax collected by the state. Prior to November 1, 2013, the contribution rate was 34%. Between November 1, 2013, and August 31, 2020, the insurance premium tax contribution rate was 36%. For the year ended June 30, 2021, OFPRS recognized \$146,860,000 in contributions to the plan based on covered payroll of \$313,346,000.

*Oklahoma Law Enforcement Retirement System:* The authority to set and amend contribution rates is established by ordinance for OLERS defined benefit plan in accordance with Title 47 of the Oklahoma Statutes, Chapter 2, Article 3, Section 2-303.1. The contribution rates for the current fiscal year are made in accordance with Oklahoma statute. The rate is 8% for employees of their covered salary and 11% for employers of covered payroll as of July 1, 2021. The state contributes a portion of driver's license taxes, and insurance premium tax collected through its taxing authority. Currently, this contribution is 1.2% of driver's license taxes, and 5% of insurance premium tax. For the year ended June 30, 2021, OLERS recognized \$37,292,000 in contributions to the plan based on covered payroll of \$85,004,000.

*Oklahoma Public Employees Retirement System:* The authority to set and amend contribution rates is established by ordinance for OPERS defined benefit plan in accordance with Title 74 of the Oklahoma Statutes, Chapter 29, Section 908. The contribution rates for the current fiscal year are made in accordance with Oklahoma statute. The rate for state employees is 3.5% of their covered salary and 16.5% of covered payroll for state agencies as of July 1, 2021. Contributions for participating county and local agencies total 20% for employees and employers as of July 1, 2021. For the year ended June 30, 2021, OPERS recognized \$341,547,000 in contributions to the plan based on covered payroll of \$1,571,954,000.

*Uniform Retirement System for Justices and Judges:* The authority to set and amend contribution rates is established by ordinance for URSJJ defined benefit plan in accordance with Title 20 of the Oklahoma Statutes, Chapter 16, Section 1108. The contribution rates for the current fiscal year are made in accordance with Oklahoma statute. The rate for employees is 8% of their covered salaries and for employers, 22% of covered payroll as of July 1, 2021. For the year ended June 30, 2021, URSJJ recognized \$10,481,000 in contributions to the plan based on covered payroll of \$35,377,000.

*Oklahoma Police Pension and Retirement System:* The authority to set and amend contribution rates is established by ordinance for OPPRS defined benefit plan in accordance with Title 11 of the Oklahoma Statutes, Chapter 1, Article 50, Section 50-106. The contribution rates for the current fiscal year are made in accordance with Oklahoma statute. The rate is 8% for employees of their covered salary and 13% for employers of covered payroll as of July 1, 2021. The state contributes a portion of the insurance premium tax collected through its taxing authority. Currently, this contribution is 14% of insurance premium tax collected by the state. For the year ended June 30, 2021, OPPRS recognized \$100,719,000 in contributions to the plan based on covered payroll of \$341,577,000.

*Teachers' Retirement System:* The authority to set and amend contribution rates is established by ordinance for TRS defined benefit plan in accordance with Title 70 of the Oklahoma Statutes, Chapter 1, Article 17, Section 17-106. The contribution rates for the current fiscal year are made in accordance with Oklahoma statute. The rate is 7% for employees of their covered salary and 9.5% of covered payroll for employer entities other than comprehensive and four-year universities as of July 1, 2021. The rate for comprehensive and four-year universities is 8.55% as of July 1, 2021. The state contributes 5% of revenues from sales taxes, use taxes, corporate and individual income taxes. The system receives 1% of the cigarette taxes

collected by the state and 5% net lottery proceeds. For the year ended June 30, 2021, TRS recognized \$1,113,014,000 in contributions to the plan based on covered payroll of \$4,822,735,000.

*Wildlife Conservation Retirement Plan:* The authority to set and amend contribution rates is established by ordinance for WCRP defined benefit plan in accordance with Title 29 of the Oklahoma Statutes, Chapter 1, Article 3, Section 3-306. The contribution rates for the current fiscal year are made in accordance with Oklahoma statute. The rate is 5% for employees of their covered salary. For the year ended June 30, 2021, WCRP recognized \$4,877,000 in contributions to the plan based on covered payroll of \$11,274,000.

## F. Actuarial Assumptions

### Oklahoma Firefighters Pension and Retirement System

Date of Last Actuarial Valuation	July 1, 2021
a. Actuarial cost method	Entry age normal
b. Rate of return on investments and discount rate	7.5%
c. Projected salary increases	2.75% - 10.5%
d. Post retirement cost-of-living increase	One-half of the dollar amount of a 2.75% assumed increase in base pay for firefighters with 20 years of service as of May 26, 1983; no cost-of-living adjustment assumed for members not eligible for this increase
e. Inflation rate	2.75%
f. Mortality table	Active employees: Pub-2010 Public Safety Table with generational mortality improvement using MP-2018; Retired members: Pub-2010 Public Safety Below Median Table with Generational Mortality Improvement using Scale MP-2018; Disabled pensioners: Pub-2010 Public Safety Disabled Table set forward two years
g. Percent of married employees	90% Males; 90% Females
h. Spouse age difference	Males three years older than females
i. Turnover	Varies from 4% to 20%
j. Date of last experience study	July 1, 2013, to June 30, 2018

### Oklahoma Law Enforcement Retirement System

Date of Last Actuarial Valuation	July 1, 2021
a. Actuarial cost method	Entry age normal
b. Rate of return on investments and discount rate	7.5%
c. Projected salary increases	3.5% - 9.75%
d. Post retirement cost-of-living increase	3%
e. Inflation rate	2.75%
f. Mortality table	Active employees (pre- and post- retirement): RP-2014 Blue Collar Healthy Employees with Generational Projection using Scale MP-2016; Disabled pensioners: RP-2014 Blue Collar Table with no projection from 2006 base rates.
g. Percent of married employees	85% Males; 85% Females
h. Spouse age difference	Males three years older than females
i. Turnover	Varies from 1.5% to 15%
j. Date of last experience study	July 2012 to June 2016

## Oklahoma Public Employees Retirement System

Date of Last Actuarial Valuation	July 1, 2021
a. Actuarial cost method	Entry age normal
b. Rate of return on investments and discount rate	6.5%
c. Projected salary increases	3.25% - 9.25%
d. Post retirement cost-of-living increase	None
e. Inflation rate	2.5%
f. Mortality table	Active employees (pre- and post- retirement): Pub-2010 Below Median, General Membership Active/Retiree Health Mortality Table with base rates projected to 2030 using Scale MP-2019, male rates are unadjusted, and female rates are set forward two years; Disabled pensioners: Non-disabled retiree mortality set forward 12 years for disabled experience.
g. Percent of married employees	85% Males; 85% Females
h. Spouse age difference	Males four years older than females
i. Turnover	Varies from 1%-26%
j. Date of last experience study	July 1, 2016, to June 30, 2019

## Uniform Retirement System for Justices and Judges

Date of Last Actuarial Valuation	July 1, 2021
a. Actuarial cost method	Entry age normal
b. Rate of return on investments and discount rate	6.5%
c. Projected salary increases	3.5%
d. Post retirement cost-of-living increase	None
e. Inflation rate	2.5%
f. Mortality table	Active employees (pre- and post- retirement): Pub-2010 Below Median, General Membership Active/Retiree Health Mortality Table with base rates projected to 2030 using Scale MP-2019, male rates set back one year, and female rates set forward one year; Disabled pensioners: Non-disabled retiree mortality set forward 12 years for disabled experience
g. Percent of married employees	85% Males; 85% Females
h. Spouse age difference	Males four years older than females
i. Turnover	2%
j. Date of last experience study	July 1, 2016, to June 30, 2019

## Oklahoma Police Pension and Retirement System

Date of Last Actuarial Valuation	July 1, 2021
a. Actuarial cost method	Entry age normal
b. Rate of return on investments and discount rate	7.5%
c. Projected salary increases	3.5% to 12.0%
d. Post retirement cost-of-living increase	Officers eligible to receive cost of living adjustments according to repealed Section 50-120 of Title 11 of the Oklahoma Statutes pursuant to a court order receive an adjustment of 1/3 to 1/2 of the increase or decrease of any adjustment to the base salary of a regular police officer, based on an increase in base salary of 3.5%
e. Inflation rate	2.75%
f. Mortality table	Active employees pre-retirement: RP-2000 Combined Blue Collar Healthy with fully generational improvement using Scale AA with age set back four years; post-retirement: RP-2000 Combined Blue Collar Healthy with fully generational improvement using Scale AA; Disabled pensioners: RP-2000 Combined Blue Collar Healthy with age set forward four years
g. Percent of married employees	85% Males; 85% Females
h. Spouse age difference	Males three years older than females
i. Turnover	Varies from 1% to 15%
j. Date of last experience study	Five-year period from July 1, 2012, to June 30, 2017

## Teachers' Retirement System

Date of Last Actuarial Valuation	June 30, 2021
a. Actuarial cost method	Entry age normal
b. Rate of return on investments and discount rate	7.0%
c. Projected salary increases	2.25% wage inflation, plus 0.75% productivity increase rate and step-rate promotional increases for members with less than 25 years of service
d. Post retirement cost-of-living increase	None
e. Inflation rate	2.25%
f. Mortality table	Active employees pre-retirement: Pub-2010 Teachers Active Employee Mortality Table, generational mortality improvements in accordance with the Ultimate MP scales projected from 2010; post-retirement: GRS Southwest Region Teacher Mortality Table, generational mortality improvements in accordance with the Ultimate MP scales projected from 2020; disabled pensioners: 2020 GRS Southwest Region Teacher Mortality Table set forward three years with minimum rate of 4% for males and 2.5% for females, generational mortality improvements in accordance with the Ultimate MP scale projected from 2020
g. Percent of married employees	80% Males; 80% Females
h. Spouse age difference	Males three years older than females
i. Turnover	Varies from 1.5% to 35.0%
j. Date of last experience study	July 2020, for a five-year period ending June 30, 2019



**Wildlife Conservation Retirement Plan**

Date of Last Actuarial Valuation	July 1, 2021
a. Actuarial cost method	Entry age normal
b. Rate of return on investments and discount rate	7%
c. Projected salary increases	3% to 8%
d. Post retirement cost-of-living increase	None
e. Inflation rate	3%
f. Mortality table	Active members: RP-2014 Employee Mortality Table with Blue Collar Adjustment projected to 2030 with Scale BB; Retired members: RP-2014 Mortality Table for Healthy Annuitants with Blue Collar Adjustment projected to 2030 with Scale BB; Disabled members: RP-2014 Mortality Table for Disabled Annuitants, projected to 2030 with Scale BB
g. Percent of married employees	85% Males; 85% Females
h. Spouse age difference	Males three years older than females
i. Turnover	Varies from 1% to 8%
j. Date of last experience study	July 1, 2010, to June 30, 2015

**G. Discount Rate**

**Oklahoma Firefighters Pension and Retirement System**

The projection of cash flows used to determine the discount rate assumed that contributions from plan members are made at the current contribution rate and that contributions from employers are made at contractually required rates. Projected cash flows also assume insurance premium taxes are contributed as determined by state statutes.

Based on these assumptions, the pension plan’s fiduciary net position is projected to be sufficient for projected benefit payments. Therefore, the discount rate used is 7.5% which is the long-term expected rate of return on plan investments.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	20%	3.53%
Equity	62%	7.12%
Alternative Investments	18%	6.35%
Total	<u>100%</u>	

## Oklahoma Law Enforcement Retirement System

The projection of cash flows used to determine the discount rate assumed that plan contributions from members, state agencies, insurance premium taxes and other state sources are made at the current contribution rates as set out in state statute.

Based on those assumptions, the pension plan's fiduciary net position is projected to be sufficient for projected benefit payments. Therefore, the discount rate used is 7.5% which is the long-term expected rate of return on plan investments.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	30%	2.99%
Equity	60%	8.22%
Alternative Investments	10%	4.75%
Total	<u>100%</u>	

## Oklahoma Public Employees Retirement System

The projection of cash flows used to determine the discount rate assumed that contributions from plan members and the employers are made at the current contribution rate as set out in state statute.

Based on those assumptions, the pension plan's fiduciary net position is projected to be sufficient for projected benefit payments. Therefore, the discount rate used is 6.5% which is the long-term expected rate of return on plan investments.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	32%	0.42%
Equity	40%	4.87%
Alternative Investments	28%	6.86%
Total	<u>100%</u>	

## Uniform Retirement System for Justices and Judges

The projection of cash flows used to determine the discount rate assumed that contributions from plan members and the employers are made at the current contribution rate as set out in state statute.

Based on those assumptions, the pension plan's fiduciary net position is projected to be sufficient for projected benefit payments. Therefore, the discount rate used is 6.5% which is the long-term expected rate of return on plan investments.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	32%	0.42%
Equity	40%	4.87%
Alternative Investments	28%	6.86%
Total	<u>100%</u>	

## Oklahoma Police Pension and Retirement System

The projection of cash flows used to determine the discount rate assumed that plan contributions from members, state agencies, insurance premium taxes and other state sources are made at the contractually required rates as determined by state statutes.

Based on these assumptions, the pension plan's fiduciary net position is projected to be sufficient for projected benefit payments. Therefore, the discount rate used is 7.5% which is the long-term expected rate of return on plan investments.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	20%	3.22%
Equity	65%	4.55%
Alternative Investments	15%	8.61%
Total	<u>100%</u>	

## Teachers' Retirement System

The projection of cash flows used to determine the single discount rate assumed that plan member and employer contributions are made at the current statutory levels and remain a level percentage of payrolls. The projection of cash flows also assumed that the state's contribution plus the matching contributions will remain a constant percent of projected member payroll based on the past five years of actual contributions.

Based on these assumptions, the pension plan's fiduciary net position is projected to be sufficient for projected benefit payments. Therefore, the discount rate used is 7.0% which is the long-term expected rate of return on plan investments.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	22%	0.40%
Equity	44%	4.30%
Alternative Investments	34%	5.20%
Total	<u>100%</u>	

## Wildlife Conservation Retirement Plan

The projection of cash flows used to determine the discount rate assumed that contributions from plan members are made at the current contribution rate and that contributions from the department are at least 100% of the department's required contribution.

Based on these assumptions, the pension plan's fiduciary net position is projected to be sufficient for projected benefit payments. Therefore, the discount rate used is 7% which is the long-term expected rate of return on plan investments.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	40%	3.12%
Equity	50%	8.26%
Alternative Investments	10%	3.55%
Total	<u>100%</u>	

## H. Changes in Net Pension Liability

The total pension liability for the various pension systems is determined based on actuarial valuations performed as of July 1, 2021, which is also the measurement date. There are no changes in assumptions or changes between the measurement date of July 1, 2021, and the state's report ending date of June 30, 2022, that would have a significant impact on the net pension liability. The following tables report the components of changes in net pension liability (in thousands):

**Oklahoma Law Enforcement Retirement System**  
Schedule of Changes in Net Pension Liability  
Increases (Decreases)

	<b>Total Pension (a)</b>	<b>Plan Net Net Position (b)</b>	<b>Net Pension Liability (a) - (b)</b>
<b>Balance Beginning of Year</b>	\$ 1,219,707	\$ 1,003,662	\$ 216,045
<b>Changes for the Year:</b>			
Service cost	21,975	-	21,975
Interest	88,833	-	88,833
Difference between expected and actual experience	(12)	-	(12)
Contributions-Employer	-	9,878	(9,878)
Contributions-State of Oklahoma, non-employer contributing entity	-	20,767	(20,767)
Contributions-Employee	-	6,647	(6,647)
Net Investment Income	-	277,534	(277,534)
Benefit payments, including refunds	(71,815)	(71,815)	-
Administrative expense	-	(1,432)	1,432
<b>Net Changes</b>	<u>\$ 38,981</u>	<u>\$ 241,579</u>	<u>\$ (202,598)</u>
<b>Balances at June 30, 2021</b>	<u>\$ 1,258,688</u>	<u>\$ 1,245,241</u>	<u>\$ 13,447</u>

**Uniform Retirement System for Justices and Judges**

Schedule of Changes in Net Pension Liability

Increases (Decreases)

	<b>Pension Liability (a)</b>	<b>Plan Net Position (b)</b>	<b>Liability (Asset) (a) - (b)</b>
<b>Balance Beginning of Year</b>	\$ 330,152	\$ 347,509	\$ (17,357)
<b>Changes for the Year:</b>			
Service cost	9,841	-	9,841
Interest	20,719	-	20,719
Difference between expected and actual experience	1,465	-	1,465
Contributions-Employer	-	7,618	(7,618)
Contributions-Employee	-	2,863	(2,863)
Net Investment Income	-	94,482	(94,482)
Benefit payments, including refunds	(23,148)	(23,148)	-
Administrative expense	-	(173)	173
<b>Net Changes</b>	<u>\$ 8,877</u>	<u>\$ 81,642</u>	<u>\$ (72,765)</u>
<b>Balances at June 30, 2021</b>	<u><u>\$ 339,029</u></u>	<u><u>\$ 429,151</u></u>	<u><u>\$ (90,122)</u></u>

**Wildlife Conservation Retirement Plan**

Schedule of Changes in Net Pension Liability

Increases (Decreases)

	<b>Total Pension Liability (a)</b>	<b>Plan Net Position (b)</b>	<b>Net Pension Liability (a) - (b)</b>
<b>Balance Beginning of Year</b>	\$ 135,028	\$ 118,472	\$ 16,556
<b>Changes for the Year:</b>			
Service cost	1,398	-	1,398
Interest	9,258	-	9,258
Difference between expected and actual experience	479	-	479
Contributions-Employer	-	4,313	(4,313)
Contributions-Employee	-	564	(564)
Net Investment Income	-	26,764	(26,764)
Benefit payments, including refunds	(8,346)	(8,346)	-
Administrative expense	-	(26)	26
<b>Net Changes</b>	<u>\$ 2,789</u>	<u>\$ 23,269</u>	<u>\$ (20,480)</u>
<b>Balances at June 30, 2021</b>	<u><u>\$ 137,817</u></u>	<u><u>\$ 141,741</u></u>	<u><u>\$ (3,924)</u></u>

**I. Sensitivity of Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability, calculated using the discount rate, as well as what net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1- percentage-point higher than the current rate (in thousands):

**Oklahoma Law Enforcement Retirement System**

	1% Decrease <u>(6.5%)</u>	Discount Rate <u>(7.5%)</u>	1% Increase <u>(8.5%)</u>
Net Pension Liability (Asset)	<u>\$ 162,351</u>	<u>\$ 13,447</u>	<u>\$ (108,905)</u>

**Oklahoma Public Employees Retirement System**

	1% Decrease <u>(5.5%)</u>	Discount Rate <u>(6.5%)</u>	1% Increase <u>(7.5%)</u>
Net Pension Liability (Asset)	<u>\$ (97,283)</u>	<u>\$ (1,047,880)</u>	<u>\$ (1,851,362)</u>

**Uniform Retirement System for Justices and Judges**

	1% Decrease <u>(5.5%)</u>	Discount Rate <u>(6.5%)</u>	1% Increase <u>(7.5%)</u>
Net Pension Liability (Asset)	<u>\$ (58,731)</u>	<u>\$ (90,122)</u>	<u>\$ (117,371)</u>

**Oklahoma Police Pension and Retirement System**

	1% Decrease <u>(6.5%)</u>	Discount Rate <u>(7.5%)</u>	1% Increase <u>(8.5%)</u>
Net Pension Liability (Asset)	<u>\$ (614)</u>	<u>\$ (1,636)</u>	<u>\$ (2,502)</u>

**Teachers' Retirement System**

	1% Decrease <u>(6.0%)</u>	Discount Rate <u>(7.0%)</u>	1% Increase <u>(8.0%)</u>
Net Pension Liability (Asset)	<u>\$ 1,889,793</u>	<u>\$ 1,156,180</u>	<u>\$ 548,846</u>

**Wildlife Conservation Retirement Plan**

	1% Decrease <u>(6.0%)</u>	Discount Rate <u>(7.0%)</u>	1% Increase <u>(8.0%)</u>
Net Pension Liability (Asset)	<u>\$ 10,780</u>	<u>\$ (3,924)</u>	<u>\$ (16,498)</u>

## J. Deferred Outflows/Inflows of Resources

Reported deferred outflows of resources resulting from contributions subsequent to the measurement date are recognized as a decrease of the net pension liability in the year ended June 30, 2023.

### Oklahoma Law Enforcement Retirement System

On June 30, 2022, OLERS reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ 12,642	\$ 1,914
Net difference between projected and actual plan investment earnings	-	113,653
Changes in assumptions	95	-
Contributions made since measurement date	<u>9,568</u>	<u>-</u>
Total	<u>\$ 22,305</u>	<u>\$ 115,567</u>

### Oklahoma Public Employees Retirement System

On June 30, 2022, OPERS reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ -	\$ 26,348
Net difference between projected and actual plan investment earnings	-	1,168,579
Changes in assumptions	77,214	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	71
Contributions made since measurement date	<u>221,074</u>	<u>-</u>
Total	<u>\$ 298,288</u>	<u>\$ 1,194,998</u>

### Uniform Retirement State Justices and Judges

On June 30, 2022, URSJJ reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ 3,082	\$ 473
Net difference between projected and actual plan investment earnings	-	52,627
Changes in assumptions	6,487	-
Contributions made since measurement date	<u>7,642</u>	<u>-</u>
Total	<u>\$ 17,211</u>	<u>\$ 53,100</u>



### Oklahoma Police Pension and Retirement System

On June 30, 2022, OPPRS reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ 24	\$ 65
Net difference between projected and actual plan investment earnings	-	1,194
Changes in assumptions	25	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	31
Contributions made since measurement date	157	-
Total	<u>\$ 206</u>	<u>\$ 1,290</u>

### Teachers' Retirement System

On June 30, 2022, TRS reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ 76,235	\$ 42,994
Net difference between projected and actual plan investment earnings	-	600,505
Changes in assumptions	179,855	11,514
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	162,148
Contributions made since measurement date	112,218	-
Total	<u>\$ 368,308</u>	<u>\$ 817,161</u>

### Wildlife Conservation Retirement Plan

On June 30, 2022, WCRP reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ 3,153	\$ 151
Net difference between projected and actual plan investment earnings	-	13,729
Changes in assumptions	1	-
Contributions made since measurement date	2,500	-
Total	<u>\$ 5,654</u>	<u>\$ 13,880</u>

**K. Amortization of Pension Deferrals**

Amounts reported as deferred outflows of resources (excluding deferred outflows of resources related to contributions made subsequent to the measurement date) and deferred inflows of resources are recognized in pension expense as follows (in thousands):

For the year ended June 30, 2022						
	Law Enforcement Retirement System	Public Employees Retirement System	Retirement System Justices and Judges	Police Pension and Retirement System	Teachers' Retirement System	Wildlife Conservation
2023	\$ (20,052)	\$ (231,575)	\$ (95,880)	\$ (335)	\$ (412,419)	\$ (19,065)
2024	(17,447)	(278,086)	19,970	(232)	(356)	2,108
2025	(25,031)	(286,439)	17,806	(296)	(36,054)	2,564
2026	(40,299)	(321,684)	14,573	(391)	(141,027)	3,667
2027	(1)	-	-	13	16,197	-
2028	-	-	-	-	12,588	-
Total	<u>\$ (102,830)</u>	<u>\$ (1,117,784)</u>	<u>\$ (43,531)</u>	<u>\$ (1,241)</u>	<u>\$ (561,071)</u>	<u>\$ (10,726)</u>

**L. Payables to the Pension Plans** – The amounts presented below represent the amount, in thousands, payable from the State of Oklahoma to the pension plans on June 30, 2022. This includes both contributions payable and dedicated taxes that had yet to be paid.

	Payable at 6/30/2022
Firefighters Pension and Retirement Plan	\$ 19,483
Law Enforcement Retirement System	4,488
Public Employees Retirement System	10,895
Police Pension and Retirement System	39,947
Teachers' Retirement System	70,713
Total	<u>\$ 145,526</u>

**M. State General Fund Portion** -- The amounts presented below represent net pension liability, deferred inflows, deferred outflows, and pension expense related to the various pension systems recorded to governmental activities on the Government-Wide Statement of Net Position. These amounts (in thousands) are determined based on actuarial valuations performed as of July 1, 2021, which is also the measurement date.

	General Fund Portion	Pension Assets	Pension Liabilities	Net Pension Liability (Asset)	Deferred Inflows	Deferred Outflows	Pension Expense
Oklahoma Law Enforcement Retirement System	91.010%	\$ 1,133,296	\$ 1,145,534	\$ 12,238	\$ 105,178	\$ 20,300	\$ 3,174
Oklahoma Public Employees Retirement System	73.521%	8,872,315	7,885,545	(986,770)	1,126,849	280,892	(79,501)
Uniform Retirement for Justices and Judges	100.000%	429,151	339,029	(90,122)	53,100	17,211	(6,457)
Oklahoma Police Pension and Retirement System	0.341%	11,225	9,589	(1,636)	1,290	206	(164)
Oklahoma Teachers' Retirement System	1.237%	265,901	329,088	63,187	35,798	23,032	3,673
Wildlife Conservation Retirement Plan	100.000%	141,741	137,817	(3,924)	13,880	5,654	(1,120)
Total		<u>\$ 10,853,629</u>	<u>\$ 9,846,602</u>	<u>\$ (1,007,027)</u>	<u>\$ 1,336,095</u>	<u>\$ 347,295</u>	<u>\$ (80,395)</u>

## **N. Changes Subsequent to Measurement Date**

The following changes were made to pension plan policy since the measurement date. These changes could potentially change the calculation of net pension liability:

### Oklahoma Firefighters Pension and Retirement System:

House Bill 2487—Provides that, effective November 1, 2022, members whose date of employment was on or after November 1, 2013, are eligible for their normal retirement date after completing 20 years of credited service. Previously, members whose date of employment was on or after November 1, 2013, became eligible for their normal retirement date after completing 22 years of credited service. Additionally, HB 2487 reduces the vesting requirement from 11 years to 10 years. The provision was enacted on May 9, 2022.

### Oklahoma Police and Retirement System:

House Bill 3709 – Provides that any member of the Plan who was honorably discharged from military service within the armed forces of the United States may purchase up to five years of qualifying prior military service credit. The purchase for this service shall be the actuarial cost of the prior service credit. The provision was enacted on April 28, 2022.

Senate Bill 743 – Provides that a member of the Plan who becomes permanently disabled when serving in the line of duty may be awarded a normal disability benefit. Such injuries must be assessed and determined by independent medical examiners as appropriate for the injuries sustained and the benefit must be awarded by the OPPRS Board. The provision was enacted on May 20, 2022.

### Teachers' Retirement System of Oklahoma:

House Bill 2293 – The legislative bill creates two separate rates for TRS's matching contribution: one for summer programs, and one for any other employment. While both rates will be actuarially determined, the summer school rate will be limited to one half of the regular matching rate. This bill would have the effect of reducing revenue to TRS for the specified summer programs. However, after conferring with the system's actuary, the reduced rate will cover the increased cost to the system for this summer work, as most members do not gain any additional service credit while working in these programs. Therefore, TRS does not expect this legislative change to have an actuarial impact on the system. This provision was enacted on May 28, 2021.

Senate Bill 683 – The legislative bill removes the requirement that non-classified optional personnel be regularly employed for more than one year to participate in TRS. Instead, these employees, working 20 or more hours per week, may join the retirement system upon hiring. It also establishes an election system in which optional employees must make a one-time, irrevocable election to opt-in or -out of the plan upon their initial eligibility to the plan. This provision was enacted on May 7, 2021.

Senate Bill 267 – The legislative bill opens a three-year window to allow certain retirees to return to employment as an active classroom teacher without salary limitations while receiving retirement benefits. This bill encourages qualified retired educators to return to the classroom. As post-retirement contributions will be owed on all salary paid to these retirees, TRS does not anticipate that this bill will negatively affect the system. The provision was enacted on May 3, 2021.

### Oklahoma Law Enforcement Retirement System:

House Bill 2065 – Reinstated half pay for those who were hired after 2012 and killed or disabled in the line of duty since half pay was not available to them before. Half pay was unavailable to those hired after November 1, 2012. The provision was enacted on May 16, 2022.

Senate Bill 1589 – Allows the system to decide on the amortization schedule for the unfunded liability at the recommendation of the actuary. This bill also allows the Plan to de-couple the DROP rate with the actuarial assumed rate. The provision was enacted on April 25, 2022.

House Bill 3709 – The legislative bill allows members to purchase up to five years of military service at the actuarial cost. The military service no longer has to be in a war conflict zone. This is effective for members entering the system on or after November 1, 2022. The provision was enacted on April 28, 2022.

**O. Defined Contribution Plans**

The Wildlife Conservation Retirement Plan’s defined contribution plan (DC plan) is a single-employer plan that covers the employees of Oklahoma Department of Wildlife Conservation (ODWC) with a hire date of July 1, 2010, or later. The DC plan provides retirement benefits to plan members and their beneficiaries. As of June 30, 2022, there were 172 plan members. Members of the DC Plan are required to contribute 5% of compensation annually. The ODWC’s annual contribution is based on the employee’s number of completed years of credited service with the ODWC, defined as follows:

Years of Credited Service	Compensation Contributed by Employer
Less than 5	6%
At least 5, but less than 10	8%
At least 10, but less than 15	10%
At least 15 or more	12%

Employees vest in 100% of ODWC’s contributions after 5 years of credited service.

For the year ended June 30, 2022, the ODWC contributed \$582,000, and eligible employees contributed \$418,000 to the DC Plan.

House Bill 2630 and Senate Bill 2120 directed Oklahoma Public Employees Retirement System (OPERS) to establish a defined contribution retirement system for members first employed by a participating employer of the system on or after November 1, 2015, including statewide elected officials and legislators. The provisions of this bill are not applicable to hazardous duty members, district attorneys, assistant district attorneys or other employees of the district attorney’s office who will continue to participate in the defined benefit plan. Also excluded are employees of a county, county elected officials, county hospital, city or town, conservation district, circuit engineering district, and any public or private trust in which a county, city or town participates and is the primary beneficiary.

The Oklahoma State Employees Pathfinder 401(a) Plan, a defined contribution plan, was created and implemented during the year ended June 30, 2016. Under this plan, participating employees contribute a minimum of 4.5% of their compensation. Participating employers match employee contributions up to 7%. In addition to the matching contributions, participating employers are required to remit to OPERS the difference between the matching contributions for defined contribution plan members and the amount the participating employer would have contributed for a defined benefit plan member.

On June 30, 2022, there were 16,051 plan members. For the year ended June 30, 2022, OPERS contributed \$29,963,000 and eligible employees contributed \$20,729,000 to the plan.

The State of Oklahoma also offers its employees a defined contribution plan as authorized by Section 457 of the Internal Revenue Code, as amended by the Tax Reform Act of 1986, and in accordance with the provisions of Section 935.1 through 935.11 of Title 74 of the O.S. The plan’s effective date was November 1, 2015.

On June 30, 2022, there were 7,161 plan members. For the year ended June 30, 2022, eligible employees contributed \$8,651,000 to the plan.

## Note 15. Other Postemployment Benefits (OPEB)

### 1. General Description of the Other Postemployment Benefits

The Employees Group Insurance Division (EGID), a division of the Office of Management and Enterprise Services manages a legal insurance trust which provides group health, life, dental and disability benefits for active employees and retirees (should they so elect) of state agencies, school districts and other governmental units. EGID, as a multi-line insurance provider, allows for retirees that are not yet eligible for Medicare benefits to participate in the insurance plans available to active employees. Current and retired employees participate in the same plans with blended premium rates creating an implicit rate subsidy for the retirees in the plan. This single-employer plan is not administered through a trust, and as a result, there are no assets to net against the total liability. Separately issued reports for the EGID plan can be obtained at <https://oklahoma.gov/omes/services/accounting-reporting.html>.

The Oklahoma Department of Wildlife Conservation (ODWC), part of the primary government, at its expense, provides a single-employer health insurance allowance to retirees for the payment of health insurance premiums at retirement where the retiree elects continued coverage through EGID. This allowance is reduced when the retiree is eligible for Medicare. The coverage amount is established by ODWC on an annual basis and can be discontinued at the board's discretion.

As mandated by statute, the cost-sharing multiple-employer defined benefit plans - the Oklahoma Law Enforcement Retirement System (OLERS), Oklahoma Public Employees Retirement System (OPERS), Uniform Retirement System for Justices and Judges (URSJJ) and Teachers' Retirement System (TRS) - provide an OPEB benefit to retirees should a retiree make such an election at retirement to continue health coverage through the state's provider, EGID. This contribution is for a fixed amount that varies slightly from pension to pension, and the contribution is included in the employer pension contribution. Methods for obtaining separately issued independent audit reports, a summary of significant accounting policies of the pension plans and the statutory authority under which OPEB benefits are required to be paid are discussed in Note 14.

Component units of the State of Oklahoma may participate in additional OPEB plans that are not reported as part of the state's structure. As a result, net OPEB asset/liability and deferred inflows/outflows related to pensions on the related financial statements may exceed that reported in the Notes to the Financial Statements. For further information, component unit separately audit financial statements may be obtained by contacting the Office of Management and Enterprise Services, 2401 N. Lincoln Blvd., Suite 212, Oklahoma City, OK 73105.

### 2. Employees Covered

On June 30, 2021, the following employees were covered by the benefit terms:

	Plans Outside of Trusts		OPEB Trust Funds			
	Employees Group Insurance Division	Department of Wildlife Conservation	Law Enforcement Retirement System	Uniform Retirement System for Justices and Judges	Public Employees Retirement System	Teachers' Retirement System
Active employees	31,223	167	1,190	264	31,711	89,945
Inactive participants	2,497	262	670	180	19,953	65,500
Total	33,720	429	1,860	444	51,664	155,445

### 3. Net OPEB Liability

The State of Oklahoma measured a net OPEB asset of \$137,561,000 and a net OPEB liability of \$159,621,000 as of June 30, 2021, as determined by actuarial valuations of that date.

The total OPEB liability in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

	Employees Group Insurance Division	Department of Wildlife Conservation	Law Enforcement Retirement System	Uniform Retirement System for Judges and Justices	Public Employees Retirement System	Teachers' Retirement System
Inflation	0%	3.00%	2.75%	2.50%	2.50%	2.25%
Salary Increases	3.25%-9.25%	N/A	3.50%-9.75%	3.50%	3.25%-9.25%	3.00%
Discount Rate	2.16%	4.09%	7.50%	6.50%	6.50%	7.00%
Healthcare cost trend	6.10% - 4.80%	5.00%	N/A	N/A	N/A	N/A
Retirees' share of benefit-related costs	0%	0%	0%	0%	0%	0%

### Discount Rates

The discount rate was determined using the Bond Buyer GO 20-Bond Municipal Bond Index for EGID. The discount rate for ODWC was measured using a 20-year municipal bond index rate (AA/Aa or higher) as of June 30, 2022. For the remainder of OPEB plans, the discount rate is determined by the expected rate of return on assets of the associated pension plan as referenced in Note 14.

### Mortality Rates

Mortality rates for EGID are based on Pub-2010 Public Retirement Plans General Mortality Table weighted by Headcount projected by MP-2021, as of July 1, 2021.

Mortality rates for ODWC for active members use Pub-2010 General Employees Above-Median Amount-Weight Mortality with generational projection using MP-2021 Scale. RP-2014 Employee Mortality Tables with Blue Collar Adjustment, projected to 2030 with Scale BB as of July 1, 2021. Retired members use Pub-2010 General Retirees Above-Median Amount-Weighted Mortality with generational projection using MP-2021 Scale. RP-2014 Mortality Table for Health Annuitants with Blue Collar Adjustment, projected to 2030 with Scale BB as of July 1, 2021. Disabled members is based on Pub-2010 General Disabled Retirees Amount-Weighted Mortality with generational projection using MP-2021 Scale. RP-2014 Mortality Table for Disabled Annuitants projected to 2030 with Scale BB as of July 1, 2021.

OLERS uses RP-2014 Blue Collar Healthy Table with Generational Projection using Scale MP-2016 for both pre-retirement and post-retirement for retiree mortality rates. For disability mortality rates, RP-2014 Blue Collar Health Annuitants with no projection from the 2006 base rates is used.

URSJJ bases its mortality rates on Pub-2010 Below Median, General Membership Active/Retiree Healthy Mortality Table with base rates projected to 2030 using Scale MP-2019. Male rates are set back one year, and female rates are set forward one year. Disability mortality rates are based on the post-retirement mortality rates with rates set forward 12 years.

Mortality rates used by OPERS are those in the Pub-2010 Below Median, General Membership Active/Retiree Healthy Mortality Table with base rates projected to 2030 using Scale MP-2019. Male rates are set back one year, and female rates are set forward two years.

TRS determines mortality rates for active members using Pub-2010 Teachers Active Employee Mortality Table. Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year 2010. Post-retirement mortality rates for both male and female are based on 2020 GRS Southwest Region Teacher Mortality Table. Generational mortality improvements with the Ultimate MP scales are projected from the year 2020.

### Actuarial Assumptions

EGID Implicit Rate Subsidy valuation report dated July 1, 2021, was based on a measured date of July 1, 2021, with a measurement period of July 1, 2020, to July 1, 2021.

ODWC actuarial assumptions in the actuarial report dated June 30, 2021, are prepared on a measured date of June 30, 2021, based on the results of an actuarial experience study for the period July 1, 2010, to June 30, 2015.

The actuarial assumptions used in the June 30, 2021, valuation report by OLERS are measured as of June 30, 2021, and are based on the results of the most recent actuarial experience study, which covered the five-year period ending June 30, 2016. The experience study report is dated May 10, 2017.

URSJJ total OPEB liability was measured as of June 30, 2021, in the valuation report dated July 1, 2020, and based the actuarial assumptions on the results of the most recent actuarial experience study. The report covered the three-year period ending June 30, 2019. The experience study report is dated May 13, 2020.

The actuarial assumptions used in the July 1, 2021, valuation report rolled back to June 30, 2021, by OPERS are based on the results of the most recent actuarial experience study, which covered the three-year period ending June 30, 2019. The experience study report is dated May 13, 2020.

The actuarial assumptions used in the June 30, 2021, valuation report by TRS were measured June 30, 2021, and are based on the results of the most recent actuarial experience study, which covered the five-year period ending June 30, 2019.

#### 4. Changes in the OPEB Liability

	Employees Group Insurance Division	Department of Wildlife Conservation	Law Enforcement Retirement System	Uniform Retirement System for Justices and Judges	Public Employees Retirement System	Teachers' Retirement System	Total
Total Liability at June 30, 2020	\$ 142,093	\$ 9,247	\$ 12,658	\$ 2,871	\$ 256,349	\$ 115,336	\$ 538,554
Change for the year:							
Service cost	6,214	228	333	114	6,237	1,468	14,594
Interest	3,162	197	917	180	16,226	6,596	27,278
Differences between expected and actual experience	-	(222)	(21)	(52)	(14,706)	(1,188)	(16,189)
Changes in assumptions or other inputs	(177)	(1,016)	-	-	3	76	(1,114)
Benefit Payments	(10,553)	(452)	(879)	(206)	(13,819)	(7,957)	(33,866)
Change in Total Liability	\$ (1,354)	\$ (1,265)	\$ 350	\$ 36	\$ (6,059)	\$ (1,005)	\$ (9,297)
Total Liability at June 30, 2021	\$ 140,739	\$ 7,982	\$ 13,008	\$ 2,907	\$ 250,290	\$ 114,331	\$ 529,257
Plan Net Position at June 30, 2020	\$ -	\$ -	\$ 1,316	\$ 3,454	\$ 292,957	\$ 117,654	\$ 415,381
Change for the year:							
Contributions - Employer	10,553	-	1,309	232	13,801	1,378	27,273
Net investment income	-	-	364	822	64,822	32,089	98,097
Benefit payments	(10,553)	-	(879)	(206)	(13,819)	(7,957)	(33,414)
Administrative expense	-	-	(2)	(2)	(128)	(8)	(140)
Change in Net Position	\$ -	\$ -	\$ 792	\$ 846	\$ 64,676	\$ 25,502	\$ 91,816
Total Net Position at June 30, 2021	\$ -	\$ -	\$ 2,108	\$ 4,300	\$ 357,633	\$ 143,156	\$ 507,197
Total OPEB Liability (Asset)	\$ 140,739	\$ 7,982	\$ 10,900	\$ (1,393)	\$ (107,343)	\$ (28,825)	\$ 22,060

(Balances are shown, in thousands, as of the measurement date.)

#### Changes in Assumptions and Other Inputs:

Employee Group Insurance Division: The discount rate to calculate liabilities was changed from 2.21% to 2.16%. The mortality assumption used to calculate a more current mortality trend. The plan participation rate assumption was changed from 40% to 45%.

Oklahoma Department of Wildlife Conservation: The discount rate used to measure the total OPEB liability was increased from 2.18% to 4.09%. Mortality rates for active, retired and disabled members were changed to reflect more current trends. The actuarial assumption valuations were based on results of an actuarial experience study for the period July 1, 2016, to June 30, 2021. Previous valuations were based on results for the period July 1, 2010, to June 30, 2015.

Uniform Retirement System for Justices and Judges: Municipal bond index rate to calculate liabilities was changed from 2.19% to 2.13%.

#### 5. Sensitivity of the OPEB Liability to Changes in the Discount Rate

The following presents the OPEB liability of the State of Oklahoma, as well as what the state's OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate (in thousands):

##### Employees Group Insurance Division

	1% Decrease <u>(1.16%)</u>	Discount Rate <u>(2.16%)</u>	1% Increase <u>(3.16%)</u>
Total OPEB Liability	\$ 150,301	\$ 140,739	\$ 131,685

##### Department of Wildlife Conservation

	1% Decrease <u>(3.09%)</u>	Discount Rate <u>(4.09%)</u>	1% Increase <u>(5.09%)</u>
Total OPEB Liability	\$ 8,896	\$ 7,982	\$ 7,207

##### Law Enforcement Retirement System

	1% Decrease <u>(6.50%)</u>	Discount Rate <u>(7.50%)</u>	1% Increase <u>(8.50%)</u>
Net OPEB Liability	\$ 12,335	\$ 10,900	\$ 9,690

##### Uniform Retirement System for Justices and Judges

	1% Decrease <u>(5.50%)</u>	Discount Rate <u>(6.50%)</u>	1% Increase <u>(7.50%)</u>
Net OPEB Liability	\$ (1,149)	\$ (1,393)	\$ (1,607)

##### Public Employees Retirement System

	1% Decrease <u>(5.50%)</u>	Discount Rate <u>(6.50%)</u>	1% Increase <u>(7.50%)</u>
Net OPEB Liability	\$ (80,716)	\$ (107,343)	\$ (130,166)

##### Teachers' Retirement System

	1% Decrease <u>(6.00%)</u>	Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
Net OPEB Liability	\$ (18,519)	\$ (28,825)	\$ (37,558)



## Sensitivity of the Total OPEB Liability to Changes in the Healthcare Trend Rate

The following presents the net OPEB liability on June 30, 2022, calculated using the healthcare trend rate, as well as what the trend rate increasing or decreasing by 1-percentage-point. Only the EGID implicit rate subsidy and ODWC are affected by the healthcare trend rate.

### Employee Group Insurance Division

	1% Decrease (5.10% - 3.80%)	Discount Rate (6.10% - 4.80%)	1% Increase (7.10% - 5.80%)
Total OPEB Liability	\$ 127,498	\$ 140,739	\$ 156,290

### Oklahoma Department of Wildlife Conservation

	1% Decrease (4.00%)	Discount Rate (5.00%)	1% Increase (6.00%)
Total OPEB Liability	\$ 7,960	\$ 7,982	\$ 8,002

## 6. OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB

The following tables illustrate the deferred inflows and outflows as of June 30, 2022, based on the requirements of GASB Statement number 75 (in thousands):

	Employees Group Insurance Division	Department of Wildlife Conservation	Law Enforcement Retirement System	Uniform Retirement System for Justices and Judges	Public Employees Retirement System	Teachers' Retirement System	Total
<b>Deferred Outflows:</b>							
Changes of assumptions or other inputs	\$ 8,211	\$ 582	\$ -	\$ -	\$ 9,543	\$ 3,918	\$ 22,254
Differences between projected and actual investment earnings						-	-
Changes in proportion	-	-	281	-	-	391	672
Differences between expected and actual experience	-	66	58	-	-	-	124
Subsequent contributions	10,359	452	1,302	217	12,948	-	25,278
Total deferred outflows	<u>\$ 18,570</u>	<u>\$ 1,100</u>	<u>\$ 1,641</u>	<u>\$ 217</u>	<u>\$ 22,491</u>	<u>\$ 4,309</u>	<u>\$ 48,328</u>
<b>Deferred Inflows:</b>							
Changes of assumptions or other inputs	\$ (4,567)	\$ (812)	\$ (106)	\$ -	\$ -	\$ -	\$ (5,485)
Changes in proportion	-	-	(281)	-	(103)	-	(384)
Differences between expected and actual experience	(868)	(205)	(1,115)	-	(34,796)	(4,513)	(41,497)
Differences between projected and actual investment earnings	-	-	(200)	-	(30,564)	(15,460)	(46,224)
Total deferred inflows	<u>\$ (5,435)</u>	<u>\$ (1,017)</u>	<u>\$ (1,702)</u>	<u>\$ -</u>	<u>\$ (65,463)</u>	<u>\$ (19,973)</u>	<u>\$ (93,590)</u>
OPEB Expense	<u>\$ 6,818</u>	<u>\$ 452</u>	<u>\$ 816</u>	<u>\$ 206</u>	<u>\$ (13,623)</u>	<u>\$ (4,329)</u>	<u>\$ (9,660)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows (in thousands):

Year ended June 30:	Employees Group Insurance Division	Department of Wildlife Conservation	Law Enforcement Retirement System	Public Employees Retirement System	Teachers' Retirement System	Total
2023	\$ (1,441)	\$ 30	\$ (322)	\$ (14,759)	\$ (4,169)	\$ (20,661)
2024	(218)	(23)	(325)	(13,804)	(3,391)	(17,761)
2025	1,616	(128)	(298)	(12,983)	(3,491)	(15,284)
2026	1,616	(248)	(239)	(12,106)	(4,533)	(15,510)
2027	1,222	-	(129)	(2,268)	(43)	(1,218)
Thereafter	(19)	-	(50)	-	(37)	(106)

## Note 16. On-Behalf Payments

The Oklahoma Teachers Retirement System (TRS) receives 5.0% of the state's sales, use, corporate and individual income taxes collected as dedicated tax. Senate Bill 1376, which became law in July 2002, provides that the percentage of the state's collected dedicated taxes allocated to TRS increased from 4.5% to 5.0% on July 1, 2007, and thereafter. TRS receives 1.0% of the cigarette taxes and 5.0% of the net lottery proceeds collected by the state. TRS received approximately \$471,548,000 from the state for the year ended June 30, 2022.

The Oklahoma Firefighters Pension and Retirement System receives 36.0% of the state's insurance premium tax revenue. The Oklahoma Firefighters Pension and Retirement System received approximately \$102,442,000 from the state for the year ended June 30, 2022. Of the same insurance premium tax revenue, the Oklahoma Police Pension and Retirement System and Oklahoma Law Enforcement Retirement System receive 14.0% and 5.0%, respectively. Oklahoma Police Pension and Retirement System and Oklahoma Law Enforcement Retirement System received approximately \$39,848,000 and \$14,228,000 from the state for the year ended June 30, 2022, respectively.

## Note 17. Commitments

### Primary Government

For the year ended June 30, 2022, the general fund had encumbrances of \$1,577,480,000 within the restricted and committed fund balances of the governmental funds.

The Department of Transportation had contractual commitments as of June 30, 2022, of approximately \$813,545,000 for the construction of various highway projects. Future appropriations will fund these commitments as work is performed. Up to \$200,000,000 in notes, bonds or loans with the U.S. Department of Transportation through the Transportation Infrastructure Finance and Innovation Act has been authorized by the state legislature. In fiscal year 2022, loans totaling approximately \$41,547,000 had been closed to provide funding toward this project.

The Department of Human Services maintains a construction unit which engages in capital improvements of state buildings. At year end, Department of Human Services had long-term projects totaling \$804,000 for the general fund.

The Oklahoma Capital Improvement Authority has issued bonds in the aggregate principal amount of \$120,000,000 for the Office of Management and Enterprise Services to provide funding for repairs, refurbishments, and improvements to the State Capitol Building. This bond issuance is the first series of obligations sold under two authorizations totaling \$245,000,000 for the capitol repair project. Most of the work on the capitol repair project has been completed except for one project expected to be completed by January 2023.

The Authority has also been authorized to issue \$70,000,000 and \$19,000,000 in revenue bonds for the Office of Management and Enterprise Services to provide funding for repairs, refurbishments, and improvements to the Jim Thorpe Building and underlying tunnels of the State Capitol Complex, respectively. In addition, the Authority has been authorized to issue revenue bonds of \$46,000,000 for the purpose of construction, repair and rehabilitation, and improvements to real

and personal property of existing Oklahoma Historical Society facilities except for the Oklahoma Museum of Popular Culture.

### **Component Units**

The University of Oklahoma had outstanding commitments under construction contracts totaling \$1,988,000 on June 30, 2022.

Oklahoma State University had outstanding commitments under construction contracts of approximately \$100,672,000 as of June 30, 2022.

The Oklahoma Turnpike Authority had commitments outstanding on December 31, 2021, relating to equipment orders and supplies of approximately \$17,800,000. On December 31, 2021, Oklahoma Turnpike Authority had commitments outstanding relating to construction and maintenance contracts of approximately \$78,700,000.

The Oklahoma Municipal Power Authority purchased approximately \$16,615,000 of power pursuant to several long-term purchase agreements during 2021. Oklahoma Municipal Power Authority is obligated to purchase, at a minimum, approximately \$15,241,000 of power in 2022.

The Grand River Dam Authority (GRDA) makes and receives commitments for purchases of coal and other materials. GRDA had contractual commitments as of December 31, 2021, for long-term wind power purchase agreements of approximately \$481,000,000 through the year 2037 and for customer generation capacity agreements of approximately \$211,200,000 through the year 2042. GRDA also has contractual commitments for long-term service agreements for the maintenance of the gas and steam turbines of approximately \$100,200,000 through the year 2030, for natural gas of approximately \$8,900,000 through the year 2022 and for transportation of natural gas of approximately \$138,200,000 through the year 2047. On December 31, 2021, GRDA had construction contractual commitments of approximately \$52,096,000 for equipment and construction contracts.

## **Note 18. Litigation and Contingencies**

The state and its component units are parties to numerous legal proceedings, many of which normally occur in governmental operations. Such litigation includes, but is not limited to, claims assessed against the state for property damage and personal injury, alleged breaches of contract, condemnation proceedings, and other alleged violations of state and federal laws. Certain claims have been adjudicated against the state but remained unpaid as of June 30, 2022.

The state receives significant financial assistance from the federal government in the form of grants and entitlements, which are generally conditioned upon compliance with terms and conditions of the grant agreements and applicable federal regulations, including the expenditure of the resources for eligible purposes. Substantially all grants are subject to financial and compliance audits by federal agencies. Any disallowance as a result of these audits could become a liability of the state.

### **Primary Government**

Through the normal course of operations there are many legal cases which involve the state as a party. Most of these cases are currently deemed to have a remote chance of loss or will result in a gain to the state. The assessment of several cases indicates there is the reasonably possible or probable chance of a loss occurring to the state. Current estimates for these losses range from \$500,000 to \$4,260,000.

The Department of Transportation has incurred significant expenditures on construction projects that have exceeded the amounts approved by the federal grantor. These project expenditures are held in suspense until approved by the federal grantor and subsequently reimbursed. Based on prior years' experience, the reimbursement of expenditures is highly probable. As of June 30, 2022, Department of Transportation has project expenditures totaling \$5,262,000 that will be reimbursed pending approval of the federal government.

## **Note 19. Subsequent Events**

Oklahoma Capital Improvement Authority authorized a TIFIA (Transportation Infrastructure Finance and Innovation Act) loan for \$44,649,000 after June 30, 2022. The loan was used to fund Oklahoma Department of Transportation eight-year construction work plan. Oklahoma Capital Improvement Authority has a remaining funding authorization of \$113,803,000 for TIFIA loans.

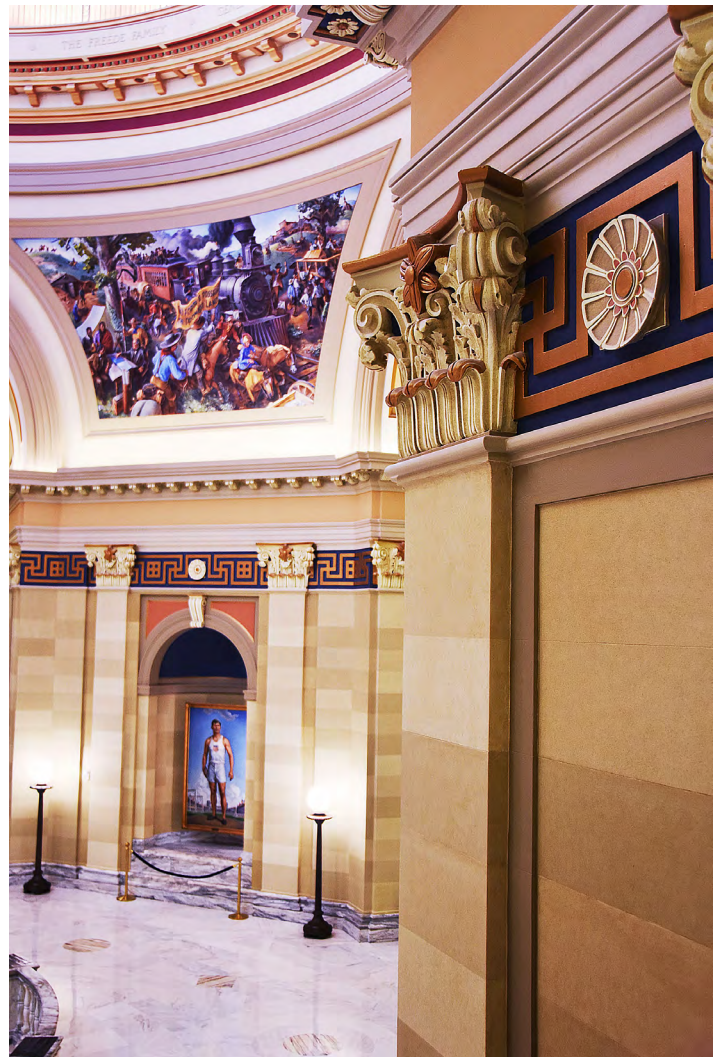
### **Proprietary Funds**

Oklahoma Water Resources Board has authorized but not issued bonds totaling \$175,535,000.

### **Component Units**

After the issuance of the September 30, 2021, financial report, the Oklahoma Housing Finance Agency issued three multi-family mortgage revenue bonds as a conduit debt issuer for a total of \$69,989,000. Oklahoma Housing Finance Agency also issued three single-family bonds for a total of \$140,000,000.

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Interior details of the Capitol have been painted using the original color palette when the building opened in 1917. Rotunda walls are painted to resemble the limestone blocks on the building's exterior.





State of Oklahoma  
 Budgetary Comparison Schedule - Budget to Actual (Non-GAAP Budgetary Basis)  
 Budget to Actual (Non-GAAP Budgetary Basis)  
 General Fund  
 For the Fiscal Year Ended June 30, 2022  
 (expressed in thousands)

		GENERAL FUND				
		BUDGET				
		ORIGINAL	Amendments	FINAL	ACTUAL	VARIANCE
<b>EDUCATION</b>						
<b>State Arts Council</b>						
01	Duties	\$ 3,004	\$ -	\$ 3,004	\$ 1,948	\$ 1,056
11	FY21 Carryover		637	637	326	311
21	FY20 Carryover		371	371	371	-
	Agency Total	\$ 3,004	\$ 1,008	\$ 4,012	\$ 2,645	\$ 1,367
<b>Department Of Education</b>						
00	Ad Valorem Reimbursement Fund	\$ -	\$ 95,283	\$ 95,283	\$ 95,283	\$ -
01	Financial support of Public Schools	1,471,384	-	1,471,384	1,441,443	29,941
01	Financial support of Public Schools (Min Lea '22)	5,225	-	5,225	2,872	2,353
02	Financial support of Public Schools (Min Lea '20)	3,524	-	3,524	3,524	-
02	Public School Activities	108,919	-	108,919	107,465	1,454
03	Certified Employee Health Benefit Allowance	347,082	-	347,082	347,082	-
04	Support Personnel Health Benefit Allowance	188,455	-	188,455	188,455	-
05	Textbooks	60,000	-	60,000	60,000	-
05	Administrative and Support Functions	15,028	-	15,028	15,028	-
11	FY21 Carryover	-	343	343	343	-
12	FY21 Carryover	-	2,175	2,175	989	1,186
19	FY21 Carryover	-	3,066	3,066	2,711	355
	Agency Total	\$ 2,199,617	\$ 100,867	\$ 2,300,484	\$ 2,265,195	\$ 35,289
<b>Office of Educational Quality and Accountability</b>						
01	Duties	\$ 1,067	\$ -	\$ 1,067	\$ 298	\$ 769
05	Duties	500	-	500	287	213
11	FY21 Carryover	-	642	642	637	5
	Agency Total	\$ 1,567	\$ 642	\$ 2,209	\$ 1,222	\$ 987
<b>Commission of the Land Office</b>						
01	Duties	\$ 8,379	\$ -	\$ 8,379	\$ 7,208	\$ 1,171
11	FY21 Carryover	-	300	300	248	52
	Agency Total	\$ 8,379	\$ 300	\$ 8,679	\$ 7,456	\$ 1,223
<b>Department of Libraries</b>						
01	Duties	\$ 4,346	\$ -	\$ 4,346	\$ 4,106	\$ 240
11	FY21 Carryover	-	107	107	75	32
	Agency Total	\$ 4,346	\$ 107	\$ 4,453	\$ 4,181	\$ 272
<b>Physician Manpower Training Commission</b>						
01	Duties	\$ 6,547	\$ -	\$ 6,547	\$ 6,187	\$ 360
04	Duties	400	-	400	208	192
11	FY21 Carryover	-	785	785	45	740
13	FY21 Carryover	-	110	110	-	110
	Agency Total	\$ 6,947	\$ 895	\$ 7,842	\$ 6,440	\$ 1,402



GENERAL FUND

	BUDGET			ACTUAL	VARIANCE
	ORIGINAL	Amendments	FINAL		
Center for Advancement of Science and Technology					
01 Duties	\$ 15,297	\$ -	\$ 15,297	\$ 15,135	\$ 162
11 FY21 Carryover	-	98	98	93	5
21 FY20 Carryover	-	173	173	173	-
Agency Total	\$ 15,297	\$ 271	\$ 15,568	\$ 15,401	\$ 167

Oklahoma School of Science and Math

01 Duties	\$ 6,811	\$ -	\$ 6,811	\$ 3,725	\$ 3,086
11 FY21 Carryover	-	1,779	1,779	1,761	18
Agency Total	\$ 6,811	\$ 1,779	\$ 8,590	\$ 5,486	\$ 3,104

Department of Career and Technology Education

01 Duties	\$ 134,642	\$ -	\$ 134,642	\$ 125,240	\$ 9,402
11 FY21 Carryover	-	7,654	7,654	7,654	-
Agency Total	\$ 134,642	\$ 7,654	\$ 142,296	\$ 132,894	\$ 9,402

Education Total

	\$ 2,380,610	\$ 113,523	\$ 2,494,133	\$ 2,440,920	\$ 53,213
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GENERAL GOVERNMENT

Office of Management and Enterprise Services

01 Duties	\$ 71,477	\$ -	\$ 71,477	\$ 64,324	\$ 7,153
01 For transfer to Bldg & Fac Revolv ( Fund 245, FY22)	1,599	-	1,599	1,599	-
01 Implementation of Service Oklahoma	-	7,500	7,500	-	7,500
02 For transfer to Bldg & Fac Revolv ( Fund 245, FY20)	523	-	523	523	-
02 Duties - NACEA	5,555	-	5,555	5,555	-
02 Duties	23,628	-	23,628	23,628	-
02 Duties	-	3,200	3,200	-	3,200
11 FY21 Carryover	-	1,291	1,291	967	324
13 FY21 Carryover	-	1,008	1,008	634	374
21 FY20 Carryover	-	3,432	3,432	3,432	-
Agency Total	\$ 102,782	\$ 16,431	\$ 119,213	\$ 100,662	\$ 18,551

Department of Commerce

01 Duties	\$ 22,078	\$ -	\$ 22,078	\$ 15,977	\$ 6,101
11 FY21 Carryover	-	4,139	4,139	1,377	2,762
21 FY20 Carryover	-	61	61	(4)	65
Agency Total	\$ 22,078	\$ 4,200	\$ 26,278	\$ 17,350	\$ 8,928

State Election Board

01 Duties	\$ 8,618	\$ -	\$ 8,618	\$ 7,479	\$ 1,139
01 Duties	\$ -	\$ 470	\$ 470	\$ -	\$ 470
12 FY21 Carryover	-	1,922	1,922	1,052	870
Agency Total	\$ 8,618	\$ 2,392	\$ 11,010	\$ 8,531	\$ 2,479

Ethics Commission

01 Duties	\$ 688	\$ -	\$ 688	\$ 688	\$ -
Agency Total	\$ 688	\$ -	\$ 688	\$ 688	\$ -

Merit Protection Commission

01 Duties	\$ 384	\$ -	\$ 384	\$ 275	\$ 109
11 FY20 Carryover	-	92	92	92	-
Agency Total	\$ 384	\$ 92	\$ 476	\$ 367	\$ 109

State Auditor and Inspector

02 Duties	\$ 4,300	\$ -	\$ 4,300	\$ 2,010	\$ 2,290
13 FY21 Carryover	-	1,692	1,692	1,692	-
21 FY20 Carryover	-	17	17	17	-
Agency Total	\$ 4,300	\$ 1,709	\$ 6,009	\$ 3,719	\$ 2,290

		GENERAL FUND				
		BUDGET			ACTUAL	VARIANCE
		ORIGINAL	Amendments	FINAL		
<b>Governor</b>						
01	Duties	\$ 3,558	\$ -	\$ 3,558	\$ 1,838	\$ 1,720
12	FY21 Carryover	-	1,484	1,484	1,474	10
	Agency Total	\$ 3,558	\$ 1,484	\$ 5,042	\$ 3,312	\$ 1,730
<b>Senate</b>						
01	Operations	\$ 11,068	\$ -	\$ 11,068	\$ 10,070	\$ 998
12	FY21 Carryover	-	5,141	5,141	5,135	6
21	FY20 Carryover	-	61	61	61	-
	Agency Total	\$ 11,068	\$ 5,202	\$ 16,270	\$ 15,266	\$ 1,004
<b>House of Representatives</b>						
01	Operations	\$ 19,184	\$ -	\$ 19,184	\$ 13,774	\$ 5,410
12	FY21 Carryover	-	8,225	8,225	7,928	297
21	FY20 Carryover	-	1,703	1,703	1,703	-
	Agency Total	\$ 19,184	\$ 9,928	\$ 29,112	\$ 23,405	\$ 5,707
<b>Legislative Service Bureau</b>						
01	Duties	\$ 22,057	\$ -	\$ 22,057	\$ 1,816	\$ 20,241
12	FY21 Carryover	-	16,271	16,271	7,279	8,992
21	FY20 Carryover	-	10,751	10,751	10,750	1
	Agency Total	\$ 22,057	\$ 27,022	\$ 49,079	\$ 19,845	\$ 29,234
<b>Lieutenant Governor</b>						
01	Duties	\$ 565	\$ -	\$ 565	\$ 460	\$ 105
12	FY21 Carryover	-	100	100	89	11
	Agency Total	\$ 565	\$ 100	\$ 665	\$ 549	\$ 116
<b>Tax Commission</b>						
01	Duties	\$ 43,844	\$ -	\$ 43,844	\$ 36,848	\$ 6,996
11	FY21 Carryover	-	2,162	2,162	2,162	-
	Agency Total	\$ 43,844	\$ 2,162	\$ 46,006	\$ 39,010	\$ 6,996
<b>Treasurer</b>						
01	Duties	\$ 2,985	\$ -	\$ 2,985	\$ 944	\$ 2,041
04	State Land Reimbursements	95	-	95	95	-
12	FY21 Carryover	-	1,083	1,083	1,011	72
21	FY20 Carryover	-	451	451	451	-
	Agency Total	\$ 3,080	\$ 1,534	\$ 4,614	\$ 2,501	\$ 2,113
<b>General Government Total</b>		\$ 242,206	\$ 72,256	\$ 314,462	\$ 235,205	\$ 79,257
<b>HEALTH SERVICES</b>						
<b>Department of Health</b>						
01	Duties	\$ 59,338	\$ -	\$ 59,338	\$ 43,903	\$ 15,435
11	FY21 Carryover	-	10,611	10,611	3,304	7,307
	Agency Total	\$ 59,338	\$ 10,611	\$ 69,949	\$ 47,207	\$ 22,742
<b>Mental Health and Substance Abuse</b>						
00	Duties	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ 50,000
01	Duties	\$ 229,940	\$ -	\$ 229,940	\$ 184,615	\$ 45,325
01	Duties (FY22 Alcohol Beverage Control Fund)	12,350	-	12,350	1,150	11,200
02	Duties (FY20 Alcohol Beverage Control Fund)	1,200	-	1,200	1,200	-
	Agency Total	\$ 293,490	\$ -	\$ 293,490	\$ 186,965	\$ 106,525
<b>Health Care Authority</b>						
01	Duties (to Disbursing Funds 200 and 340)	\$ 726,739	\$ -	\$ 726,739	\$ 726,739	\$ -
01	Duties (from FY22 Health Care Enhancement Fund to Disbursing Funds)	147,612	-	147,612	147,612	-
02	To Rate Preservation Fund (to Fund 236 and Disbursing Fund)	164,138	-	164,138	164,138	-
02	Duties (to Disbursing Funds 200 and 340)	120,000	-	120,000	120,000	-
02	Duties (from FY20 Health Care Enhancement Fund to Disbursing Funds)	14,186	-	14,186	14,186	-
	Agency Total	\$ 1,172,675	\$ -	\$ 1,172,675	\$ 1,172,675	\$ -
<b>Health Services Total</b>		\$ 1,525,503	\$ 10,611	\$ 1,536,114	\$ 1,406,847	\$ 129,267

## GENERAL FUND

	BUDGET			ACTUAL	VARIANCE
	ORIGINAL	Amendments	FINAL		

**LEGAL AND JUDICIARY****Indigent Defense System**

01 Duties	\$ 20,538	\$ -	\$ 20,538	\$ 15,180	\$ 5,358
11 FY21 Carryover	-	446	446	359	87
21 FY20 Carryover	-	1,249	1,249	1,249	-
Agency Total	\$ 20,538	\$ 1,695	\$ 22,233	\$ 16,788	\$ 5,445

**Attorney General**

02 Duties	\$ 13,599	\$ -	\$ 13,599	\$ 11,289	\$ 2,310
02 Opioid Law suit Settlement Fund	1,500	-	1,500	-	1,500
03 To Legal Services Fund	959	-	959	959	-
04 Extraordinary Litigation Costs	10,000	-	10,000	6,087	3,913
11 FY21 Carryover	-	-	-	-	-
13 FY21 Carryover	-	504	504	422	82
Agency Total	\$ 26,058	\$ 504	\$ 26,562	\$ 18,757	\$ 7,805

**Court of Criminal Appeals**

01 Duties	\$ 4,023	\$ -	\$ 4,023	\$ 3,328	\$ 695
11 FY21 Carryover	-	283	283	283	-
21 FY20 Carryover	-	8	8	8	-
Agency Total	\$ 4,023	\$ 291	\$ 4,314	\$ 3,619	\$ 695

**District Courts**

01 Duties - District Courts	48,241	-	48,241	45,481	2,760
11 FY21 Carryover	-	127	127	-	127
Agency Total	\$ 48,241	\$ 127	\$ 48,368	\$ 45,481	\$ 2,887

**Supreme Court**

01 Duties	\$ 12,249	\$ -	\$ 12,249	\$ 10,214	\$ 2,035
01 Duties	\$ 3,975	\$ -	\$ 3,975	\$ 3,975	\$ -
11 FY21 Carryover	-	1,634	1,634	1,634	-
14 FY21 Carryover	-	2,107	2,107	2,107	-
Agency Total	\$ 16,224	\$ 3,741	\$ 19,965	\$ 17,930	\$ 2,035

**Legal and Judiciary Total**

	\$ 115,084	\$ 6,358	\$ 121,442	\$ 102,575	\$ 18,867
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**MUSEUMS****J.M. Davis Arms and Historical Museum**

01 Duties	\$ 330	\$ -	\$ 330	\$ 261	\$ 69
Agency Total	\$ 330	\$ -	\$ 330	\$ 261	\$ 69

**Historical Society**

01 Duties	\$ 13,192	\$ -	\$ 13,192	\$ 11,362	\$ 1,830
11 FY21 Carryover	-	550	550	498	52
Agency Total	\$ 13,192	\$ 550	\$ 13,742	\$ 11,860	\$ 1,882

**Museums Total**

	\$ 13,522	\$ 550	\$ 14,072	\$ 12,121	\$ 1,951
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GENERAL FUND

		BUDGET				
		ORIGINAL	Amendments	FINAL	ACTUAL	VARIANCE

**NATURAL RESOURCES**

**Department of Agriculture**

01	Duties	\$ 27,423	\$ -	\$ 27,423	\$ 23,399	\$ 4,024
02	Duties	4,105	-	4,105	4,001	104
11	FY21 Carryover	-	168	168	31	137
11	FY20 Carryover	-	1,429	1,429	1,429	-
Agency Total		\$ 31,528	\$ 1,597	\$ 33,125	\$ 28,860	\$ 4,265

**Department of Environmental Quality**

01	Duties	\$ 9,027	\$ -	\$ 9,027	\$ 8,297	\$ 730
11	FY21 Carryover	\$ -	\$ 250	\$ 250	\$ 92	\$ 158
12	FY21 Carryover	\$ -	\$ 33	\$ 33	\$ 33	\$ -
Agency Total		\$ 9,027	\$ 283	\$ 9,310	\$ 8,422	\$ 888

**Department of Tourism and Recreation**

01	Duties	\$ 23,462	\$ -	\$ 23,462	\$ 22,151	\$ 1,311
Agency Total		\$ 23,462	\$ -	\$ 23,462	\$ 22,151	\$ 1,311

**Conservation Commission**

01	Duties	\$ 13,726	\$ -	\$ 13,726	\$ 10,413	\$ 3,313
02	Duties	-	2,101	2,101	242	1,859
11	FY21 Carryover	-	1,463	1,463	1,357	106
21	FY20 Carryover	-	919	919	919	-
Agency Total		\$ 13,726	\$ 4,483	\$ 18,209	\$ 12,931	\$ 5,278

**Water Resources Board**

01	Duties	\$ 7,205	\$ -	\$ 7,205	\$ 4,630	\$ 2,575
11	FY21 Carryover	-	301	301	17	284
Agency Total		\$ 7,205	\$ 301	\$ 7,506	\$ 4,647	\$ 2,859

**Natural Resources Total**

		\$ 84,948	\$ 6,664	\$ 91,612	\$ 77,011	\$ 14,601
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**PUBLIC SAFETY AND DEFENSE**

**Oklahoma Military Department**

01	Duties	\$ 18,912	\$ -	\$ 18,912	\$ 11,241	\$ 7,671
12	FY21 Carryover	-	4,295	4,295	3,595	700
21	FY20 Carryover	-	20	20	20	-
Agency Total		\$ 18,912	\$ 4,315	\$ 23,227	\$ 14,856	\$ 8,371

**Alcohol Beverage Laws Enforcement**

01	Duties	\$ 2,754	\$ -	\$ 2,754	\$ 2,752	\$ 2
11	FY21 Carryover	-	29	29	-	29
Agency Total		\$ 2,754	\$ 29	\$ 2,783	\$ 2,752	\$ 31

**Department of Corrections**

01	Duties	\$ 492,699	\$ -	\$ 492,699	\$ 427,370	\$ 65,329
02	Duties	50,000	-	50,000	50,000	-
11	FY21 Carryover	-	521	521	521	-
11	FY21 Carryover	-	20,956	20,956	20,290	666
12	FY20 Carryover	-	1	1	-	1
Agency Total		\$ 542,699	\$ 21,478	\$ 564,177	\$ 498,181	\$ 65,996

**District Attorneys Council**

01	Duties	\$ 58,780	\$ -	\$ 58,780	\$ 56,595	\$ 2,185
11	FY21 Carryover	-	54	54	54	-
11	FY21 Carryover	-	875	875	872	3
Agency Total		\$ 58,780	\$ 929	\$ 59,709	\$ 57,521	\$ 2,188

GENERAL FUND

	BUDGET			ACTUAL	VARIANCE
	ORIGINAL	Amendments	FINAL		
<b>Pardon and Parole Board</b>					
01 Duties	\$ 2,273	\$ -	\$ 2,273	\$ 1,155	\$ 1,118
11 FY20 Carryover	-	1,793	1,793	1,063	730
Agency Total	\$ 2,273	\$ 1,793	\$ 4,066	\$ 2,218	\$ 1,848

**State Bureau of Investigation**

01 Duties	\$ 19,267	\$ -	\$ 19,267	\$ 19,133	\$ 134
Agency Total	\$ 19,267	\$ -	\$ 19,267	\$ 19,133	\$ 134

**Department of Emergency Management**

01 Duties	\$ 2,477	\$ -	\$ 2,477	\$ 836	\$ 1,641
11 FY21 Carryover	-	301	301	275	26
Agency Total	\$ 2,477	\$ 301	\$ 2,778	\$ 1,111	\$ 1,667

**Board of Medicolegal Investigations**

01 Duties	\$ 19,162	\$ -	\$ 19,162	\$ 15,761	\$ 3,401
11 FY21 Carryover	-	2,074	2,074	2,074	-
Agency Total	\$ 19,162	\$ 2,074	\$ 21,236	\$ 17,835	\$ 3,401

**Council on Law Enforcement, Education, and Training**

01 Duties	\$ 1,131	\$ -	\$ 1,131	\$ 864	\$ 267
02 Duties	2,511	-	2,511	2,262	249
02 Duties	19	-	19	-	19
11 FY21 Carryover	-	103	103	-	103
11 FY21 Carryover	-	82	82	27	55
Agency Total	\$ 3,661	\$ 185	\$ 3,846	\$ 3,153	\$ 693

**Bureau of Narcotics and Dangerous Drugs**

01 Duties	\$ 745	\$ -	\$ 745	\$ 745	\$ -
Agency Total	\$ 745	\$ -	\$ 745	\$ 745	\$ -

**Department of Public Safety**

01 Duties	\$ 78,150	\$ -	\$ 78,150	\$ 62,835	\$ 15,315
01 Duties (from St Public Safety fund FY22)	23,149	-	23,149	21,014	2,135
02 Duties (from St Public Safety fund FY20)	1,528	-	1,528	1,528	-
12 FY21 Carryover	-	6,585	6,585	3,040	3,545
Agency Total	\$ 102,827	\$ 6,585	\$ 109,412	\$ 88,417	\$ 20,995

**Public Safety and Defense Total**

	\$ 773,557	\$ 37,689	\$ 811,246	\$ 705,922	\$ 105,324
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**REGULATORY SERVICES**

**Department of Mines**

01 Duties	\$ 770	\$ -	\$ 770	\$ 720	\$ 50
02 Duties	-	251	251	238	13
11 FY21 Carryover	-	72	72	72	-
21 FY20 Carryover	-	25	25	25	-
Agency Total	\$ 770	\$ 348	\$ 1,118	\$ 1,055	\$ 63

**Corporation Commission**

01 Duties	\$ 16,877	\$ -	\$ 16,877	\$ 15,403	\$ 1,474
12 FY21 Carryover	-	1,064	1,064	551	513
Agency Total	\$ 16,877	\$ 1,064	\$ 17,941	\$ 15,954	\$ 1,987

GENERAL FUND					
BUDGET					
	ORIGINAL	Amendments	FINAL	ACTUAL	VARIANCE
<b>Department of Labor</b>					
01 Duties	\$ 2,393	\$ -	\$ 2,393	\$ 1,809	\$ 584
01 Duties (Special OSHA Fund FY22)	903	-	903	646	257
02 Duties (Special OSHA Fund FY20)	283	-	283	225	58
11 FY21 Carryover	-	201	201	201	-
12 FY21 Carryover	-	208	208	208	-
12 FY21 Carryover	-	73	73	73	-
Agency Total	<u>\$ 3,579</u>	<u>\$ 482</u>	<u>\$ 4,061</u>	<u>\$ 3,162</u>	<u>\$ 899</u>
<b>Regulatory Services Total</b>	<u>\$ 21,226</u>	<u>\$ 1,894</u>	<u>\$ 23,120</u>	<u>\$ 20,171</u>	<u>\$ 2,949</u>
<b>SOCIAL SERVICES</b>					
<b>Commission on Children and Youth</b>					
01 Duties	\$ 2,509	\$ -	\$ 2,509	\$ 2,052	\$ 457
11 FY21 Carryover	-	534	534	498	36
Agency Total	<u>\$ 2,509</u>	<u>\$ 534</u>	<u>\$ 3,043</u>	<u>\$ 2,550</u>	<u>\$ 493</u>
<b>Office of Disability Concerns</b>					
01 Duties	\$ 307	\$ -	\$ 307	\$ 227	\$ 80
11 FY20 Carryover	-	38	38	38	-
Agency Total	<u>\$ 307</u>	<u>\$ 38</u>	<u>\$ 345</u>	<u>\$ 265</u>	<u>\$ 80</u>
<b>Office of Juvenile Affairs</b>					
01 Duties	\$ 94,545	\$ -	\$ 94,545	\$ 73,443	\$ 21,102
11 FY21 Carryover	-	4,797	4,797	4,233	564
Agency Total	<u>\$ 94,545</u>	<u>\$ 4,797</u>	<u>\$ 99,342</u>	<u>\$ 77,676</u>	<u>\$ 21,666</u>
<b>Department of Veterans Affairs</b>					
01 Duties	\$ 34,316	\$ -	\$ 34,316	\$ 30,234	\$ 4,082
Agency Total	<u>\$ 34,316</u>	<u>\$ -</u>	<u>\$ 34,316</u>	<u>\$ 30,234</u>	<u>\$ 4,082</u>
<b>J.D. McCarty Center</b>					
01 Duties	\$ 4,751	\$ -	\$ 4,751	\$ 3,767	\$ 984
Agency Total	<u>\$ 4,751</u>	<u>\$ -</u>	<u>\$ 4,751</u>	<u>\$ 3,767</u>	<u>\$ 984</u>
<b>Department of Rehabilitation Services</b>					
01 Duties (to disbursing funds)	\$ 34,875	\$ -	\$ 34,875	\$ 34,875	\$ -
Agency Total	<u>\$ 34,875</u>	<u>\$ -</u>	<u>\$ 34,875</u>	<u>\$ 34,875</u>	<u>\$ -</u>
<b>Department of Human Services</b>					
00 Duties (to Disbursing Funds)	\$ 22,500	\$ -	\$ 22,500	\$ 22,500	\$ -
01 Duties (to Disbursing Funds)	695,086	-	695,086	695,086	-
Agency Total	<u>\$ 717,586</u>	<u>\$ -</u>	<u>\$ 717,586</u>	<u>\$ 717,586</u>	<u>\$ -</u>
<b>Social Services Total</b>	<u>\$ 888,889</u>	<u>\$ 5,369</u>	<u>\$ 894,258</u>	<u>\$ 866,953</u>	<u>\$ 27,305</u>
<b>TRANSPORTATION</b>					
<b>Oklahoma Aeronautics Commission</b>					
01 Duties to Space Industries Dev.	\$ 2,000	\$ -	\$ 2,000	\$ 484	\$ 1,516
Agency Total	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ 2,000</u>	<u>\$ 484</u>	<u>\$ 1,516</u>
<b>Oklahoma Space Industry Development Auth.</b>					
01 Duties to Space Industries Dev.	\$ 400	\$ -	\$ 400	\$ 400	\$ -
Agency Total	<u>\$ 400</u>	<u>\$ -</u>	<u>\$ 400</u>	<u>\$ 400</u>	<u>\$ -</u>
<b>Transportation Total</b>	<u>\$ 2,400</u>	<u>\$ -</u>	<u>\$ 2,400</u>	<u>\$ 884</u>	<u>\$ 1,516</u>
<b>General Fund Total</b>	<u>\$ 6,047,945</u>	<u>\$ 254,914</u>	<u>\$ 6,302,859</u>	<u>\$ 5,868,609</u>	<u>\$ 434,250</u>

	GENERAL FUND				
	BUDGET			ACTUAL	VARIANCE
	ORIGINAL	Amendments	FINAL		
<b>SUMMARY OF REVENUE BY FUNCTION OF GOVERNMENT</b>					
<b>Education Revenue Total</b>	\$ 75,349	\$ -	\$ 75,349	\$ 93,405	\$ (18,056)
<b>General Government Revenue Total</b>	\$ 6,701,080	\$ -	\$ 6,701,080	\$ 8,553,710	\$ (1,852,630)
<b>Health Services Revenue Total</b>	\$ 155,381	\$ -	\$ 155,381	\$ 150,776	\$ 4,605
<b>Public Safety and Defense Total</b>	\$ 40,010	\$ -	\$ 40,010	\$ 37,472	\$ 2,538
<b>Regulatory Services Total</b>	\$ 950	\$ -	\$ 950	\$ 1,093	\$ (143)
<b>Revenue Total</b>	\$ 6,972,770	\$ -	\$ 6,972,770	\$ 8,836,456	\$ (1,863,686)

**Notes to Required Supplementary Information - Budgetary Reporting**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

The *Budgetary Comparison Schedule - Budget to Actual (Non-GAAP Budgetary Basis)* presents comparisons of the original and final legally adopted budget with actual data on a budgetary basis. The schedule represents budgetary comparisons at the legal level of budgetary control (i.e. line item level). The schedule is prepared on a cash basis plus encumbrances where the expenditures are expected to be presented by November 15<sup>th</sup> in the following fiscal year. Certain appropriations are transferred to continuing funds for expenditure. Unexpended amounts may then be budgeted again in subsequent fiscal years. These transfers are not included in the total expenditures on the *Budgetary Comparison Schedule - Budget to Actual (Non-GAAP Budgetary Basis)*.

**Reconciliation of Budgetary Fund Balance to GAAP Fund Balance**

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP, a reconciliation of resulting basis, perspective, and entity differences in the revenues in excess of (less than) expenditures and other financing sources (uses) between budgetary and GAAP presentations for the year ended June 30, 2022, is presented below (expressed in thousands) for the general fund:

Budgetary Basis Fund Balance, June 30, 2021	\$	7,216,524
Total revenues		8,836,456
Total expenditures		(1,687,510)
Net transfers in (out) of funds		(4,181,094)
Budgetary Basis Fund Balance, June 30, 2022	\$	10,184,376
Entity and Perspective Differences:		
Non-budgeted Funds and Capital Funds		2,166,350
Encumbrances		193,286
Basis Differences:		
Add: Net accrued revenues, related receivables, and deferred revenues		1,367,700
Less: Net accrued expenditures and related liabilities		(3,498,269)
GAAP Basis Fund Balance, June 30, 2022	\$	10,413,443



**Pension Schedules**  
**Required by GASB Statement Number 68**  
For the Fiscal Year Ended June 30, 2022  
(expressed in thousands)

The following information presented for pension plans that are reported as fiduciary component units of the State of Oklahoma are required by the Governmental Accounting Standards Board, Statement 68. For more complete information, including the annual money-weighted rate of return, and schedule of funding progress, audited annual statements can be acquired by contacting the pension plan:

Firefighters Pension and Retirement 6601 Broadway Extension, Suite 100 Oklahoma City, OK 73116 <a href="https://www.ok.gov/fprs">https://www.ok.gov/fprs</a>	Law Enforcement Retirement 421 NW 13th Street, Suite 100 Oklahoma City, OK 73103 <a href="https://www.olars.state.ok.us">https://www.olars.state.ok.us</a>	Police Pension and Retirement 1001 NW 63rd Street, Suite 305 Oklahoma City, OK 73116 <a href="https://www.opprs.ok.gov">https://www.opprs.ok.gov</a>
Public Employees Retirement PO Box 53007 Oklahoma City, OK 73152 <a href="https://www.opers.ok.gov">https://www.opers.ok.gov</a>	Uniform Retirement System for Justices and Judges PO Box 53007 Oklahoma City, OK 73152 <a href="https://www.opers.ok.gov">https://www.opers.ok.gov</a>	Teachers' Retirement System PO Box 53524 Oklahoma City, OK 73152 <a href="https://oklahoma.gov/trs">https://oklahoma.gov/trs</a>
	Department of Wildlife Conservation PO Box 53465 Oklahoma City, OK 73152 <a href="https://www.wildlifedepartment.com">https://www.wildlifedepartment.com</a>	

**Schedules of Contributions and Related Ratios**

**Single Employer Plans**

**A. General Fund**

**Schedule of Contributions**  
**Wildlife Commission Retirement Plan**  
Last Ten Fiscal Years  
(Expressed in thousands)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 2,190	2,711	\$ 2,486	\$ 2,308	\$ 2,494	\$ 2,988	\$ 3,197	\$ 3,691	\$ 4,307	\$ 4,267
Contributions in relation to the actuarially determined contribution	2,500	4,313	2,288	2,500	3,100	4,780	3,700	4,307	4,300	4,100
Contribution deficiency (excess)	<u>\$ (310)</u>	<u>\$ (1,602)</u>	<u>\$ 198</u>	<u>\$ (192)</u>	<u>\$ (606)</u>	<u>\$ (1,792)</u>	<u>\$ (503)</u>	<u>\$ (616)</u>	<u>\$ 7</u>	<u>\$ 167</u>
Covered payroll	\$ 11,083	11,274	\$ 11,632	\$ 12,082	\$ 12,208	\$ 12,806	\$ 13,388	\$ 13,667	\$ 13,599	\$ 14,300
Contributions as percentage of covered payroll	22.56%	38.26%	19.67%	20.69%	25.39%	37.33%	27.64%	31.51%	31.62%	28.67%

**Schedule of Net Pension Liability**  
**Wildlife Commission Retirement Plan**  
Last Nine Fiscal Years  
(Expressed in thousands)

	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Total Pension Liability</b>									
Service cost	\$ 1,398	\$ 1,480	\$ 1,482	\$ 1,550	\$ 1,627	\$ 1,848	\$ 1,840	\$ 1,930	\$ 1,988
Interest	9,258	8,873	8,605	8,364	8,203	7,832	7,586	7,296	7,057
Differences between expected and actual experience	479	3,408	1,434	688	(883)	456	(357)	293	(844)
Changes in benefit terms			-	-	-	1,156	-	-	-
Changes of assumptions			-	-	-	195	-	-	-
Benefit payments	(8,347)	(8,025)	(7,339)	(6,843)	(6,315)	(5,594)	(5,540)	(5,032)	(4,445)
Net Change in Total Pension Liability	\$ 2,788	\$ 5,736	\$ 4,182	\$ 3,759	\$ 2,632	\$ 5,893	\$ 3,529	\$ 4,487	\$ 3,756
Total Pension Liability - Beginning	135,028	129,292	125,110	121,351	118,719	112,826	109,297	104,810	101,054
Total Pension Liability - Ending	<u>\$ 137,816</u>	<u>\$ 135,028</u>	<u>\$ 129,292</u>	<u>\$ 125,110</u>	<u>\$ 121,351</u>	<u>\$ 118,719</u>	<u>\$ 112,826</u>	<u>\$ 109,297</u>	<u>\$ 104,810</u>
<b>Plan Fiduciary Net Position</b>									
Contributions - employer	\$ 4,313	\$ 2,288	\$ 2,500	\$ 3,100	\$ 4,780	\$ 3,700	\$ 4,307	\$ 4,300	\$ 4,100
Contributions - member	563	582	604	610	633	663	655	681	698
Net investment income	26,764	5,892	7,753	8,500	10,797	492	4,097	12,370	7,483
Benefit payments	(8,347)	(8,025)	(7,339)	(6,843)	(6,315)	(5,593)	(5,540)	(5,032)	(4,445)
Administrative expense	(26)	(46)	(25)	(58)	(52)	(55)	(49)	(38)	(38)
Net change in plan fiduciary net position	\$ 23,267	\$ 691	\$ 3,493	\$ 5,309	\$ 9,843	\$ (793)	\$ 3,470	\$ 12,281	\$ 7,798
Plan fiduciary net position - beginning	118,474	117,783	114,290	108,981	99,138	99,931	96,461	84,180	76,382
Plan fiduciary net position - ending	<u>\$ 141,741</u>	<u>\$ 118,474</u>	<u>\$ 117,783</u>	<u>\$ 114,290</u>	<u>\$ 108,981</u>	<u>\$ 99,138</u>	<u>\$ 99,931</u>	<u>\$ 96,461</u>	<u>\$ 84,180</u>
Net pension liability	<u>\$ (3,925)</u>	<u>\$ 16,554</u>	<u>\$ 11,509</u>	<u>\$ 10,820</u>	<u>\$ 12,370</u>	<u>\$ 19,581</u>	<u>\$ 12,895</u>	<u>\$ 12,836</u>	<u>\$ 20,630</u>
Total pension liability	\$ 137,816	\$ 135,028	\$ 129,292	\$ 125,110	\$ 121,351	\$ 118,719	\$ 112,826	\$ 109,297	\$ 104,810
Plan fiduciary net position	141,741	118,474	117,783	114,290	108,981	99,138	99,931	96,461	84,180
Net pension liability (asset)	<u>\$ (3,925)</u>	<u>\$ 16,554</u>	<u>\$ 11,509</u>	<u>\$ 10,820</u>	<u>\$ 12,370</u>	<u>\$ 19,581</u>	<u>\$ 12,895</u>	<u>\$ 12,836</u>	<u>\$ 20,630</u>
Ratio of plan fiduciary net position to total pension liability	102.85%	87.74%	91.10%	91.35%	89.81%	83.51%	88.57%	88.26%	80.32%
Covered payroll	\$ 11,274	\$ 11,632	\$ 12,082	\$ 12,208	\$ 12,806	\$ 13,388	\$ 13,667	\$ 13,599	\$ 14,300
Net pension liability as a percentage of covered payroll	-34.81%	142.31%	95.26%	88.63%	96.60%	146.26%	94.35%	94.39%	144.27%

**Notes to Schedules:**

GASB Statement 68 requires the information presented in the “Schedules of Required Supplementary Information” cover the 10 most recent fiscal years. The information above covers the period retroactive to the adoption of GASB Statement 68 and is the latest available at the date of publication.

**Actuarially Determined Contributions:**

The annual required contribution for fiscal year 2022 was determined as part of the July 1, 2022, actuarial valuation using the entry age normal method. The actuarial assumptions included a) a 7.0% investment rate of return (net of administrative expense) and b) projected salary increases of 3.0%-7.0%. The assumptions did not include cost-of-living allowances for active, disabled, or retired members.

**Benefit Changes:** Information to present a 10-year history is not readily available

**Changes in Actuarial Assumptions:** Information to present a 10-year history is not readily available

## B. Component Units

### Schedule of Contributions Oklahoma Law Enforcement Retirement System Last Ten Fiscal Years (Expressed in thousands)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 35,628	\$ 37,289	\$ 34,527	\$ 31,265	\$ 32,467	\$ 33,110	\$ 33,291	\$ 31,838	\$ 43,775	\$ 44,734
Contributions in relation to the actuarially determined contribution	\$ 9,568	\$ 9,878	\$ 9,504	\$ 8,922	\$ 9,083	\$ 9,262	\$ 10,219	\$ 9,438	\$ 8,566	\$ 8,296
Contributions--State of Oklahoma insurance premium tax	25,286	20,767	24,382	24,040	23,673	21,843	22,981	22,861	21,165	19,807
Total Contribution	\$ 34,854	\$ 30,645	\$ 33,886	\$ 32,962	\$ 32,756	\$ 31,105	\$ 33,200	\$ 32,299	\$ 29,731	\$ 28,103
Contribution deficiency (excess)	\$ 774	\$ 6,644	\$ 641	\$ (1,697)	\$ (289)	\$ 2,005	\$ 91	\$ (461)	\$ 14,044	\$ 16,631
Covered payroll	\$ 86,748	\$ 85,004	\$ 87,674	\$ 85,407	\$ 86,121	\$ 86,496	\$ 88,683	\$ 84,880	\$ 76,838	\$ 73,423
Contributions as percentage of covered payroll	40.18%	36.05%	38.65%	38.59%	38.03%	35.96%	37.44%	38.05%	38.69%	38.28%

### Schedule of Net Pension Liability Oklahoma Law Enforcement Retirement System Last Eight Fiscal Years (Expressed in thousands)

	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>								
Service cost	\$ 21,975	\$ 21,897	\$ 22,215	\$ 22,654	\$ 23,670	\$ 23,126	\$ 22,087	\$ 20,294
Interest	88,833	84,761	80,698	78,022	75,080	72,766	66,613	64,959
Changes in benefit terms	-	5,382	-	832	-	-	-	-
Differences between expected and actual experience	(12)	10,419	13,873	(5,997)	(2,307)	6,137	51,090	(9,771)
Changes in assumptions	-	-	-	-	1,107	-	-	-
Benefit payments	(71,815)	(64,641)	(60,647)	(59,048)	(57,612)	(58,348)	(57,187)	(49,777)
Net Change in Total Pension Liability	\$ 38,981	\$ 57,818	\$ 56,139	\$ 36,463	\$ 39,938	\$ 43,681	\$ 82,603	\$ 25,705
Total Pension Liability - Beginning	1,219,707	1,161,889	1,105,750	1,069,287	1,029,349	998,863	916,260	890,555
Total Pension Liability - Ending	\$ 1,258,688	\$ 1,219,707	\$ 1,161,889	\$ 1,105,750	\$ 1,069,287	\$ 1,042,544	\$ 998,863	\$ 916,260
<b>Plan Fiduciary Net Position</b>								
Contributions - employer	\$ 9,878	\$ 9,504	\$ 8,922	\$ 9,083	\$ 9,262	\$ 10,219	\$ 9,438	\$ 8,566
Contributions - nonemployer	6,647	24,382	24,040	23,673	21,843	22,981	22,861	21,165
Contributions - member	20,767	6,770	6,691	6,667	6,832	6,866	6,390	5,787
Net investment income	277,534	12,480	40,138	80,005	106,519	(22,244)	34,802	121,403
Benefit payments	(71,815)	(64,641)	(60,647)	(59,048)	(57,612)	(58,348)	(57,187)	(49,777)
Administrative expense	(1,432)	(1,479)	(1,131)	(1,092)	(1,083)	(1,031)	(1,069)	(927)
Net change in plan fiduciary net position	\$ 241,579	\$ (12,984)	\$ 18,013	\$ 59,288	\$ 85,761	\$ (41,557)	\$ 15,235	\$ 106,217
Plan fiduciary net position - beginning	1,003,662	1,016,646	998,633	939,345	853,584	895,141	879,906	773,689
Plan fiduciary net position - ending	\$ 1,245,241	\$ 1,003,662	\$ 1,016,646	\$ 998,633	\$ 939,345	\$ 853,584	\$ 895,141	\$ 879,906
Net pension liability	\$ 13,447	\$ 216,045	\$ 145,243	\$ 107,117	\$ 129,942	\$ 188,960	\$ 103,722	\$ 36,354
Total pension liability	\$ 1,258,688	\$ 1,219,707	\$ 1,161,889	\$ 1,105,750	\$ 1,069,287	\$ 1,042,544	\$ 998,863	\$ 916,260
Plan fiduciary net position	1,245,241	1,003,662	1,016,646	998,633	939,345	853,584	895,141	879,906
Net pension liability (asset)	\$ 13,447	\$ 216,045	\$ 145,243	\$ 107,117	\$ 129,942	\$ 188,960	\$ 103,722	\$ 36,354
Ratio of plan fiduciary net position to total pension liability	98.93%	82.29%	87.50%	90.31%	87.85%	81.88%	89.62%	96.03%
Covered payroll	\$ 85,004	\$ 87,674	\$ 85,407	\$ 86,121	\$ 86,496	\$ 88,683	\$ 84,880	\$ 76,838
Net pension liability as a percentage of covered payroll	15.82%	246.42%	170.06%	124.38%	150.23%	213.07%	122.20%	47.31%

#### Notes to Schedule:

GASB Statement 68 requires the information presented in the "Schedules of Required Supplementary Information" cover the 10 most recent fiscal years. The information above covers the period retroactive to the adoption of GASB Statement 68 and is the latest available at the date of publication.

#### Actuarially Determined Contributions:

The annual required contribution for fiscal year 2022 was determined as part of the July 1, 2022, actuarial valuation using the individual entry age normal method. The actuarial assumptions included: a) a 7.5% investment rate of return (net of administrative expense), b) projected salary increases of 3.50%-10.00%, c) a cost-of-living allowance of 3% for eligible participants, and d) an inflation rate of 3%.

#### Benefit Changes:

2022: House Bill 2065 – reinstate half pay for those who were hired after 2012 and killed or disabled in the the line of duty since half pay was not available to those hired after November 1, 2012. The provision was enacted on May 16, 2022.

House Bill 3709 – Provides that any member of the Plan who was honorably discharged from military service within the armed forces of the United States may purchase up to five years of qualifying prior military service credit. The purchase for this service shall be the actuarial cost of the prior service credit. The provision was enacted on April 28, 2022.

2020: House Bill 3350 provides a cost-of-living adjustment to any person receiving a benefit from the system and who continues to receive a benefit on or after July 1, 2020, based on the following retirement dates: zero percent (0%) if the person was retired two years or less on July 1, 2020; two percent (2%) if the person has been retired for at least two years but less than five years as of July 1, 2020, and four percent (4%) if the person has been retired for five years or more on July 1, 2020. This cost-of-living adjustment is offset by any increase in benefits a person received pursuant to Section 2-305 of Title 47 of the Oklahoma statutes. The provision became enacted May 22, 2020.

2018: House Bill 1340 provides for a single, one-time, non-permanent increase in the payment of retirement benefits. A single payment of 2% of the gross annual retirement benefit will be paid to qualifying members, subject to a cap and floor on the payment. The provision became enacted May 8, 2018.

House Bill 2517 clarifies that all benefits payable from the plan, including payments from deferred option plans, shall be paid from general assets of the fund. The provision became enacted April 12, 2018.

2014: House Bill 2622 resets the amortization period of the unfunded actuarial liability to 15 years, enacted July 1, 2014.

#### Changes in Actuarial Assumptions:

July 1, 2022, valuation: Mortality tables were changed to use the new Pub-2010 tables; retirement, disability, and termination rates as well as the salary merit scale and Deferred Option Plan (DOP) participation and duration assumptions were adjusted to reflect recent observed experience, and the percentage of members assumed to elect the \$105 per month medical benefit was reduced from 100% to 75%.

July 1, 2017, valuation: Cost-of-living assumption used was 3% for eligible participants; inflation assumption was 3%, and beginning with July 1, 2017, valuation, there will be a salary experience reserve. When base pay raises are small or non-existent, the reserve will be credited with the liability gain resulting from this experience. When pay raises are granted, the reserve will be released to offset any loss (or completely released, if less than the loss).

**Uniform Retirement System for Judges and Justices**  
**Schedule of Contributions**  
Last Nine Fiscal Years  
(Expressed in thousands)

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ (420)	\$ 3,254	\$ 790	\$ 352	\$ 1,638	\$ 3,626	\$ 3,454	\$ 4,897	\$ 7,215
Actual Employer Contributions	7,642	7,618	7,384	7,146	6,504	6,013	5,832	5,295	4,611
Contribution deficiency (excess)	<u>\$ (8,062)</u>	<u>\$ (4,364)</u>	<u>\$ (6,594)</u>	<u>\$ (6,794)</u>	<u>\$ (4,866)</u>	<u>\$ (2,387)</u>	<u>\$ (2,378)</u>	<u>\$ (398)</u>	<u>\$ 2,604</u>
Covered payroll	\$ 36,299	\$ 35,377	\$ 35,113	\$ 33,839	\$ 33,359	\$ 34,811	\$ 34,537	\$ 34,282	\$ 34,325
Contributions as percentage of employee payroll	21.05%	21.53%	21.03%	21.12%	19.50%	17.27%	16.89%	15.45%	13.43%

**Schedule of Net Pension Liability**  
**Uniform Retirement System for Judges and Justices**  
Last Eight Fiscal Years  
(Expressed in thousands)

	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>								
Service cost	\$ 9,841	\$ 9,194	\$ 9,003	\$ 8,897	\$ 10,085	\$ 9,689	\$ 9,602	\$ 9,489
Interest	20,719	20,642	19,623	19,162	19,229	19,341	18,812	18,529
Differences between expected and actual experience	1,465	(738)	7,244	(2,004)	(6,664)	(7,480)	(4,598)	(7,597)
Benefit changes	-	5,786	-	-	-	-	-	-
Changes of assumptions	-	11,677	-	-	3,979	5,843	-	(1,046)
Benefit payments	(23,063)	(22,025)	(20,382)	(18,461)	(17,648)	(17,198)	(16,093)	(14,939)
Refunds of contributions	(85)	(185)	(67)	(52)	(89)	(161)	(111)	(57)
Net Change in Total Pension Liability	\$ 8,877	\$ 24,351	\$ 15,421	\$ 7,542	\$ 8,892	\$ 10,034	\$ 7,612	\$ 4,379
Total Pension Liability - Beginning	330,152	305,801	290,380	282,838	276,434	266,400	258,788	254,409
Adoption of GASB 74	-	-	-	-	(2,488)	-	-	-
Total Pension Liability - Ending	<u>\$ 339,029</u>	<u>\$ 330,152</u>	<u>\$ 305,801</u>	<u>\$ 290,380</u>	<u>\$ 282,838</u>	<u>\$ 276,434</u>	<u>\$ 266,400</u>	<u>\$ 258,788</u>
<b>Plan Fiduciary Net Position</b>								
Contributions - employer	\$ 7,618	\$ 7,384	\$ 7,145	\$ 6,504	\$ 6,013	\$ 5,832	\$ 5,295	\$ 4,611
Contributions - member	2,863	2,766	2,666	2,608	2,664	2,666	2,706	2,544
Net investment income	94,482	15,537	20,128	26,189	36,312	1,441	8,174	46,211
Benefit payments	(23,063)	(22,025)	(20,384)	(18,461)	(17,648)	(17,198)	(16,093)	(14,939)
Administrative expense	(173)	(186)	(169)	(154)	(153)	(149)	(144)	(132)
Refunds of contributions	(85)	(185)	(65)	(52)	(89)	(161)	(111)	(57)
Net change in plan fiduciary net position	\$ 81,642	\$ 3,291	\$ 9,321	\$ 16,634	\$ 27,099	\$ (7,569)	\$ (173)	\$ 38,238
Plan fiduciary net position - beginning	347,509	344,218	334,897	318,263	293,727	301,296	301,469	263,231
Adoption of GASB 74	-	-	-	-	(2,563)	-	-	-
Plan fiduciary net position - ending	<u>\$ 429,151</u>	<u>\$ 347,509</u>	<u>\$ 344,218</u>	<u>\$ 334,897</u>	<u>\$ 318,263</u>	<u>\$ 293,727</u>	<u>\$ 301,296</u>	<u>\$ 301,469</u>
Net pension asset	<u>\$ (90,122)</u>	<u>\$ (17,357)</u>	<u>\$ (38,417)</u>	<u>\$ (44,517)</u>	<u>\$ (35,425)</u>	<u>\$ (17,293)</u>	<u>\$ (34,896)</u>	<u>\$ (42,681)</u>
Total pension liability	\$ 339,029	\$ 330,152	\$ 305,801	\$ 290,380	\$ 282,838	\$ 276,434	\$ 266,400	\$ 258,788
Plan fiduciary net position	429,151	347,509	344,218	334,897	318,263	293,727	301,296	301,469
Net pension liability (asset)	<u>\$ (90,122)</u>	<u>\$ (17,357)</u>	<u>\$ (38,417)</u>	<u>\$ (44,517)</u>	<u>\$ (35,425)</u>	<u>\$ (17,293)</u>	<u>\$ (34,896)</u>	<u>\$ (42,681)</u>
Ratio of plan fiduciary net position to total pension liability	126.58%	105.26%	112.56%	115.33%	112.52%	106.26%	113.10%	116.49%
Covered payroll	\$ 35,377	\$ 35,113	\$ 33,839	\$ 33,359	\$ 34,811	\$ 34,537	\$ 34,282	\$ 34,325
Net pension asset as a percentage of covered payroll	254.75%	49.43%	113.53%	133.45%	101.76%	50.07%	101.79%	124.34%

**Notes to Schedule:**

GASB Statement 68 requires the information presented in the "Schedules of Required Supplementary Information" cover the 10 most recent fiscal years. The information above covers the period retroactive to the adoption of GASB Statement 68 and is the latest available at the date of publication.

**Actuarially Determined Contributions:**

The annual required contribution for fiscal year 2022 was determined as part of the July 1, 2022, actuarial valuation using the entry age normal method. The actuarial assumptions included, a) a 6.50% investment rate of return (net of administrative expense), b) projected salary increases of 3.50%, and c) an inflation rate of 2.50%. Assumptions did not include a cost-of-living allowance for active, disabled, or retired members.

**Benefit Changes:**

2020: House Bill 3350 provides a cost-of-living adjustment to any person receiving a benefit from the system and who continues to receive a benefit on or after July 1, 2020, based on the following retirement dates: zero percent (0%) if the person was retired two years or less on July 1, 2020; two percent (2%) if the person has been retired for at least two years but less than five years as of July 1, 2020, and four percent (4%) if the person has been retired for five years or more on July 1, 2020. This cost-of-living adjustment is offset by any increase in benefits a person received pursuant to Section 1104K of Title 20 of the Oklahoma statutes. The provision became enacted May 22, 2020.

2018: House Bill 1340 provides for a single, one-time, non-permanent increase in the payment of retirement benefits. A single payment of 2% of the gross annual retirement benefit will be paid to qualifying members, subject to a cap and floor on the payment. The provision became enacted May 8, 2018.

**Changes in Actuarial Assumptions:**

July 1, 2020, valuation: Price inflation decreased from 2.75% to 2.50%; investment return decreased from 7.00% to 6.50%; payroll growth decreased from 3.50% to 3.25%; salary increase decreased from 3.75% to 3.50%, and mortality assumptions were changed to reflect recent mortality experience.

July 1, 2017, valuation: Investment return decreased from 7.25% to 7.00%; projected salary increases decreased from 5.00% to 3.75%, and inflation rate decreased from 3.00% to 2.75%.

July 1, 2016, valuation: Investment return decreased from 7.50% to 7.25%.

July 1, 2014, valuation: Salary scale assumption was decreased, and retirement rates were adjusted.

**Cost Sharing Pension Plans**

**A. Component Units**

**Schedule of Related Ratios  
Oklahoma Firefighters Pension and Retirement System  
Last Ten Fiscal Years  
(Expressed in thousands)**

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Plan fiduciary position as a percentage of the total pension liability	84.24%	69.98%	72.85%	70.73%	66.61%	64.87%	68.27%	68.12%	61.62%	59.22%
Covered payroll	\$ 313,346	\$ 318,472	\$ 307,735	\$ 303,091	\$ 285,073	\$ 273,621	\$ 270,536	\$ 271,572	\$ 253,955	\$ 256,250
Net pension liability as a percentage of covered payroll	210.17%	386.82%	343.37%	371.39%	441.19%	446.50%	392.34%	378.66%	465.75%	459.40%
State portion of net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State employer portion of net pension liability	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

**Schedule of Contributions**  
**Oklahoma Firefighters Pension and Retirement System**  
Last Ten Fiscal Years  
(Expressed in thousands)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required employer contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Oklahoma, non employer contributions	102,442	72,924	103,592	101,700	100,333	88,134	92,330	91,236	79,545	76,311
Total required contributions	\$ 102,442	\$ 72,924	\$ 103,592	\$ 101,700	\$ 100,333	\$ 88,134	\$ 92,330	\$ 91,236	\$ 79,545	\$ 76,311
Actual employer contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Oklahoma, non employer contributions	102,442	72,924	103,592	101,700	100,333	88,134	92,330	91,236	79,545	76,311
Total Contributions	\$ 102,442	\$ 72,924	\$ 103,592	\$ 101,700	\$ 100,333	\$ 88,134	\$ 92,330	\$ 91,236	\$ 79,545	\$ 76,311
Annual contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer portion of net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Actual contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**Notes to Schedule:**

GASB Statement 68 requires the information presented in the “Schedules of Required Supplementary Information” cover the 10 most recent fiscal years. The information above covers the period retroactive to the adoption of GASB Statement 68 and is the latest available at the date of publication.

**Benefit Changes:**

2022: House Bill 2487 provides that members whose date of employment was on or after November 1, 2013, are eligible for their normal retirement date after completing 20 years of credited service. Previously, members whose date of employment was on or after November 1, 2013, became eligible for their normal retirement date after completing 22 years of credited service. Additionally, HB 2487 reduces the vesting requirement from 11 to 10 years. The provision was enacted on May 9, 2022.

2020: House Bill 3350 provides a cost-of-living adjustment to any person receiving a benefit from the system and who continues to receive a benefit on or after July 1, 2020, based on the following retirement dates: zero percent (0%) if the person was retired two years or less on July 1, 2020; two percent (2%) if the person has been retired for at least two years but less than five years as of July 1, 2020, and four percent (4%) if the person has been retired for five years or more on July 1, 2020. This cost-of-living adjustment is offset by any increase in benefits a person received pursuant to repealed Section 49-136 of Title 11 of the Oklahoma statutes after June 30, 2008. The provision became enacted May 22, 2020.

2018: House Bill 1340 provides for a single, one-time, non-permanent increase in the payment of retirement benefits. A single payment of 2% of the gross annual retirement benefit will be paid to qualifying members, subject to a cap and floor on the payment. This provision became enacted May 8, 2018.

2017: House Bill 1705 modified certain provisions of eligible rollover distributions, provided treatment of certain mandatory distributions occurring on or after a certain date.

2016: Senate Bill 1021 modified the termination date of local boards. The termination date was extended from December 31, 2000, to December 31, 2016.

Senate Bill 1022 clarified certain forms of payments made to members of the Oklahoma Firefighters Pension and Retirement System.

2015: House Bill 2005 prevents any volunteer firefighter who begins service on or after age 45 from becoming a participant in the Oklahoma Firefighters Pension and Retirement System.

House Bill 1002 directs the Oklahoma Firefighters Pension and Retirement System Board of Trustees to use Internal Revenue Service guidelines to determine if a potential rollover from another system may be rolled into the Oklahoma Firefighters Pension and Retirement System. The board is required to use Internal Revenue Service guidelines to determine the taxable portion of a distribution from the system.

2013: House Bill 2078 and SB 1101 made certain changes to the benefits of members hired on or after November 1, 2013, including the following: Increased eligibility to retire to age 50 with 22 years of service; increased eligibility for a vested benefit to 11 years, and changed interest earned to Deferred Retirement Option Plan accounts to be the rate earned by system assets, less one percentage point, once the member has left active Deferred Retirement Option Plan.

Changes in Actuarial Assumptions:

July 1, 2013, valuation: Retirement, disability, and withdrawal rates were changed; salary increase assumption was changed, and the mortality rates were changed.

July 1, 2011, valuation: Assumption for future ad-hoc cost-of-living adjustments were removed due to the adoption of the Oklahoma Pension Legislation Actuarial Analysis Act.

Changes in Actuarial Funding Methods:

2013: House Bill 2078 increased the amount of gross salary contributed by paid firefighters from 8% to 9%, effective November 1, 2013. In addition, the bill increased the amount of gross salary contributed by municipalities and fire districts from 13% to 14%, effective November 1, 2013. The bill also increased the portion of statewide insurance premium tax allocated to the system from 34% to 36%.

**Schedule of Related Ratios**  
**Oklahoma Public Employees Retirement System**  
Last Eight Fiscal Years  
(Expressed in thousands)

	2021	2020	2019	2018	2017	2016	2015	2014
Plan fiduciary position as a percentage of the total pension liability	112.51%	91.59%	98.63%	97.96%	94.28%	89.48%	96.00%	97.90%
Covered payroll	\$ 1,227,291	\$ 1,233,303	\$ 1,249,922	\$ 1,318,207	\$ 1,406,150	\$ 1,443,199	\$ 1,391,397	\$ 1,359,348
Net pension liability as a percentage of covered payroll	-85.38%	56.48%	8.29%	11.55%	30.19%	54.85%	20.62%	10.83%
State portion of net pension liability	\$(1,047,881)	\$ 696,628	\$ 103,659	\$ 152,266	\$ 424,531	\$ 793,756	\$ 286,962	\$ 147,158
State employer portion of net pension liability	78.07%	78.08%	77.83%	78.07%	78.52%	79.99%	79.78%	80.17%

**Schedule of Contributions**  
**Oklahoma Public Employees Retirement System**  
Last Eight Fiscal Years  
(Expressed in thousands)

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required employer contributions	\$ 221,074	\$ 214,996	\$ 213,938	\$ 205,894	\$ 203,294	\$ 215,582	\$ 236,347	\$ 234,246
Actual employer contribution	221,074	214,996	213,938	205,894	203,294	215,582	236,347	234,246
Annual contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer portion of net pension liability	78.07%	78.08%	77.83%	78.07%	78.52%	79.99%	79.78%	80.17%
Covered payroll	\$ 1,215,273	\$ 1,227,430	\$ 1,233,303	\$ 1,249,922	\$ 1,318,207	\$ 1,406,150	\$ 1,443,199	\$ 1,391,397
Actual contributions as a percentage of covered payroll	18.19%	17.52%	17.35%	16.47%	15.42%	15.33%	16.38%	16.84%



**Notes to Schedule:**

GASB Statement 68 requires the information presented in the “Schedules of Required Supplementary Information” cover the 10 most recent fiscal years. The information above covers the period retroactive to the adoption of GASB Statement 68 and is the latest available at the date of publication.

Covered payroll beginning in 2017 is for the defined benefit plan members only although employer contributions toward the net pension liability are being received on behalf of defined contribution plan members.

2017 was the first year to exclude health insurance subsidy.

Benefit Changes: Information to present a 10-year history is not readily available.

2020: House Bill 3350 provides a cost-of-living adjustment to any person receiving a benefit from the system and who continues to receive a benefit on or after July 1, 2020, based on the following retirement dates: zero percent (0%) if the person was retired two years or less on July 1, 2020; two percent (2%) if the person has been retired for at least two years but less than five years as of July 1, 2020, and four percent (4%) if the person has been retired for five years or more on July 1, 2020. This cost-of-living adjustment is offset by any increase in benefits a person received pursuant to Section 930.11 of Title 74 of the Oklahoma statutes. The provision became enacted May 22, 2020.

2018: House Bill 1340 provides for a single, one-time, non-permanent increase in the payment of retirement benefits. A single payment of 2% of the gross annual retirement benefit will be paid to qualifying members, subject to a cap and floor on the payment. The provision became enacted May 8, 2018.

House Bill 2516 clarifies certain system provisions related to billing employers for sick leave and early retirement for elected officials. The provision became enacted April 12, 2018.

Senate Bill 527 states that a statewide elected official or legislator who is first elected or appointed on or after November 1, 2018, and who has participating service in the Oklahoma Public Employees Retirement System defined benefit plan prior to November 1, 2015, shall be a member of the defined benefit plan. The provision became enacted April 17, 2018.

**Changes in Actuarial Assumptions:**

Information to present a 10-year history is not readily available.

July 1, 2020, valuation: Decreased price inflation from 2.75% to 2.50%; decreased investment return from 7.00% to 6.50%; decreased payroll growth from 3.50% to 3.25% and changed mortality assumptions to reflect recent mortality experience.

July 1, 2017, valuation: Investment return decreased from 7.25% to 7.00%; projected salary increases changed from range of 4.5% - 8.4% to range of 3.5% - 9.5%, and inflation rate decreased from 3.00% to 2.75%.

July 1, 2016 valuation: Investment return decreased from 7.5% to 7.25%.

**Schedule of Related Ratios  
Oklahoma Police Pension and Retirement System  
Last Eight Fiscal Years  
(Expressed in thousands)**

	2021	2020	2019	2018	2017	2016	2015	2014
Plan fiduciary position as a percentage of the total pension liability	117.07%	95.80%	100.24%	101.89%	99.68%	93.50%	99.82%	101.53%
Covered payroll	\$ 1012	\$ 856	\$ 867	\$ 826	\$ 871	\$ 862	\$ 632	\$ 608
Net pension liability as a percentage of covered payroll	-140.42%	39.95%	(1.85%)	(15.38%)	2.53%	51.74%	1.90%	(11.84%)
State portion of net pension liability	\$ (1421)	\$ 342	\$ (16)	\$ (127)	\$ 22	\$ 446	\$ 12	\$ (72)
State employer portion of net pension liability	0.34%	0.30%	0.25%	0.27%	0.29%	0.29%	0.29%	0.21%

**Schedule of Contributions**  
**Oklahoma Police Pension and Retirement System**  
Last Eight Fiscal Years  
(Expressed in thousands)

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required employer contributions	\$ 157	\$ 132	\$ 111	\$ 113	\$ 117	\$ 113	\$ 112	\$ 173
State of Oklahoma, non employer contributions	39,848	28,368	40,295	39,559	39,028	34,283	35,915	35,490
Total required contributions	\$ 40,005	\$ 28,500	\$ 40,406	\$ 39,672	\$ 39,145	\$ 34,396	\$ 36,027	\$ 35,663
Actual employer contribution	157	132	111	113	117	113	112	173
State of Oklahoma, non employer contributions	39,848	28,368	40,295	39,559	39,028	34,283	35,915	35,490
Total Contributions	\$ 40,005	\$ 28,500	\$ 40,406	\$ 39,672	\$ 39,145	\$ 34,396	\$ 36,027	\$ 35,663
Annual contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer portion of net pension liability	0.34%	0.30%	0.25%	0.27%	0.29%	0.29%	0.29%	0.21%
Covered payroll	\$ 1,211	\$ 1,012	\$ 856	\$ 867	\$ 826	\$ 871	\$ 862	\$ 632
Actual contributions as a percentage of covered payroll	3303.47%	2816.21%	4720.33%	4575.78%	4739.10%	3947.35%	4179.47%	5642.88%

**Notes to Schedule:**

GASB Statement 68 requires the information presented in the “Schedules of Required Supplementary Information” cover the 10 most recent fiscal years. The information above covers the period retroactive to the adoption of GASB Statement 68 and is the latest available at the date of publication.

Benefit Changes: Information to present a 10-year history is not readily available.

2022: House Bill 3709 provides that any member of the plan who was honorably discharged from military service within the Armed Forces of the United States may purchase up to five years of qualifying prior military service credit. The purchase for this service shall be the actuarial cost of the prior service credit.

Senate Bill 743 provides that a member of the plan who becomes permanently disabled when serving in the line of duty may be awarded a normal disability benefit. Such injuries must be assessed and determined by independent medical examiners as appropriate for the injuries sustained, and the benefit must be awarded by the OPPRS Board.

2020: House Bill 3350 provides a cost-of-living adjustment to any person receiving a benefit from the system and who continues to receive a benefit on or after July 1, 2020, based on the following retirement dates: zero percent (0%) if the person was retired two years or less on July 1, 2020; two percent (2%) if the person has been retired for at least two years but less than five years as of July 1, 2020, and four percent (4%) if the person has been retired for five years or more on July 1, 2020. This cost-of-living adjustment is offset by any increase in benefits a person received pursuant to repealed Section 50-120 of Title 11 of the Oklahoma statutes after June 30, 2008. The provision became enacted May 22, 2020.

2019: House Bill 2269 provides that participants in the Deferred Option Plan can name a designated recipient. If there is no such designation, the surviving spouse, having been married to the participant for the 30 continuous months preceding death, will be the eligible recipient. The 30-month requirement does not apply in the event of a duty related death. If neither a named recipient nor a surviving spouse is an eligible recipient, payment will be made to the estate of the participant. House Bill 2269 further provides that the Council on Law Enforcement Education and Training will grant the board access to records regarding actively working police officers in participating agencies and municipalities. Lastly, House Bill 2269 allows for the final benefit payment due a member in the month they are deceased to be paid to a successor-in-interest provided it is less than the limits set in Title 58, Section 393 of the state statutes. This provision became enacted May 13, 2019.

2018: House Bill 1340 provides for a single, one-time, non-permanent increase in the payment of retirement benefits. A single payment of 2% of the gross annual retirement benefit will be paid to qualifying members, subject to a cap and floor on the payment. The provision became enacted May 8, 2018.

House Bill 2515 clarifies that all benefits payable from the plan, including payments from deferred option plans, shall be paid from general assets of the fund. House Bill 2515 further provides that a permanent and

total impairment equates to 100% of the accrued retirement benefits. The provision became enacted April 12, 2018.

2017: House Bill 1119 updates the rules for distributions to include rollover contributions for Savings Incentive Match Plan Individual Retirement Accounts that are structured and timed in accordance with the Internal Revenue Service regulations.

2016: House Bill 2273 amends the computation of final average salary to be based specifically on paid base salary in which required contributions have been made. Amends and clarifies the definition of paid base salary, including its components and exclusions. Adds additional language regarding the purchase of transferred credited service to comply with Internal Revenue Service rules regarding the use of Roth and non-Roth type individual retirement accounts.

2015: Senate Bill 345 authorizes the Oklahoma Police Pension and Retirement System Board of Trustees to adopt rules for computation of the purchase price for transferred service credit and the purchase methods available, including time periods available to complete the purchase, and additional required language regarding distributions necessary for the system to remain an Internal Revenue Service qualified plan.

**Changes in Actuarial Assumptions:**

Information to present a 10-year history is not readily available.

July 1, 2018, valuation: Price inflation assumption was decrease from 3.00% to 2.75%; interest credit on Deferred Retirement Option Plan balances were increased from 7.75% to 11.00%; real wage growth assumption was set at 0.75%; cost-of-living adjustment basis assumption was increased from 3.00% to 3.50%; retirement and termination rates were adjusted to better reflect observed experience; salary scale was adjusted to better reflect observed experience; expected severity of disability was increased from 25% - 49% to 50% - 74%, and surplus unfunded actuarially accrued liability was amortized over an open 30-year period.

**Schedule of Related Ratios  
Teacher's Retirement System  
Last Eight Fiscal Years  
(Expressed in thousands)**

	2021	2020	2019	2018	2017	2016	2015	2014
Plan fiduciary position as a percentage of the total pension liability	80.80%	63.47%	71.56%	72.74%	69.32%	62.24%	70.31%	72.43%
Covered payroll	\$ 1,154,025	\$ 1,220,285	\$ 1,183,904	\$ 1,098,170	\$ 1,103,585	\$ 1,111,204	\$ 1,079,239	\$ 1,070,909
Net pension liability as a percentage of covered payroll	100.19%	186.10%	143.92%	145.83%	159.91%	202.38%	149.35%	125.84%
State portion of net pension liability	\$ 1,156,179	\$ 2,270,894	\$ 1,703,873	\$ 1,601,483	\$ 1,764,704	\$ 2,248,905	\$ 1,611,824	\$ 1,347,638
State employer portion of net pension liability	22.63%	23.93%	25.75%	26.46%	26.60%	26.84%	26.42%	24.88%

**Schedule of Contributions**  
**Teacher's Retirement System**  
 Last Eight Fiscal Years  
 (Expressed in thousands)

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required employer contributions	\$ 112,218	\$ 109,654	\$ 117,760	\$ 118,076	\$ 109,857	\$ 106,483	\$ 108,240	\$ 184,726
State of Oklahoma, non employer contributions	471,548	311,290	359,366	371,671	344,610	301,952	315,672	336,391
Total required contributions	\$ 583,766	\$ 420,944	\$ 477,126	\$ 489,747	\$ 454,467	\$ 408,435	\$ 423,912	\$ 521,117
Actual employer contribution	\$ 112,218	\$ 109,654	117,760	\$ 118,076	\$ 109,857	\$ 106,483	\$ 108,240	\$ 184,726
State of Oklahoma, non employer contributions	471,548	311,290	359,366	371,671	344,610	301,952	315,672	336,391
Total Contributions	\$ 583,766	\$ 420,944	\$ 477,126	\$ 489,747	\$ 454,467	\$ 408,435	\$ 423,912	\$ 521,117
Annual contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer portion of net pension liability	22.63%	23.93%	25.75%	26.46%	26.60%	26.84%	26.42%	24.88%
Covered payroll	1,134,976	\$ 1,154,025	\$ 1,220,285	\$ 1,183,904	\$ 1,098,170	\$ 1,103,585	\$ 1,111,204	\$ 1,079,239
Actual contributions as a percentage of covered payroll	51.43%	36.48%	39.10%	41.37%	41.38%	37.01%	38.15%	48.29%

**Notes to Schedule:**

GASB Statement 68 requires the information presented in the “Schedules of Required Supplementary Information” cover the 10 most recent fiscal years. The information above covers the period retroactive to the adoption of GASB Statement 68 and is the latest available at the date of publication.

**Benefit Changes:**

2022: Senate Bill 267 encourages qualified retired educators to return to the classroom and opens a three-year window to allow certain retirees to return to employment as an active classroom teacher without salary limitations while receiving retirement benefits. The provision is not anticipated to negatively impact the system as post-retirement contributions will be owed on all salary paid to these retirees.

Senate Bill 683 removes the requirement that nonclassified optional personnel be regularly employed for more than one year to participate in the system and allows these employees that work 20 or more hours per week to join the system upon hiring. The provision also establishes an election system in which optional employees must make a one-time, irrevocable election to either opt-in or opt-out of the plan upon their initial eligibility to the plan.

2020: House Bill 3350 provides a cost-of-living adjustment to any person receiving a benefit from the system and who continues to receive a benefit on or after July 1, 2020, based on the following retirement dates: zero percent (0%) if the person was retired two years or less on July 1, 2020; two percent (2%) if the person has been retired for at least two years but less than five years as of July 1, 2020, and four percent (4%) if the person has been retired for five years or more on July 1, 2020. The provision became enacted May 22, 2020.

2018: House Bill 1340 provides for a single, one-time, non-permanent increase in the payment of retirement benefits. A single payment of 2% of the gross annual retirement benefit will be paid to qualifying members, subject to a cap and floor on the payment. The provision became enacted May 8, 2018.

**Changes in Actuarial Assumptions:**

June 30, 2017, valuation: Change in the election rate of the supplemental medical insurance benefit.

June 30, 2016, valuation: Inflation rate was decreased from 3.00% to 2.50%; assumed investment return was decreased from 8.00% to 7.50%; wage inflation was decreased from 3.75% to 3.25%, and payroll growth was decreased from 3.25% to 2.75%.

## Other Postemployment Benefits Schedules Required by GASB Statement number 75

For the Fiscal Year Ended June 30, 2022  
(expressed in thousands)

The following information presented for other postemployment benefit plans that are reported as fiduciary component units of the State of Oklahoma are required by the Governmental Accounting Standards Board (GASB), Statement number 75, *Accounting and Reporting for Postemployment Benefits Other Than Pensions*. For more complete information, including the annual money-weighted rate of return and schedule of funding progress, audited annual statements can be acquired by contacting the administering plans:

Law Enforcement Retirement 421 N.W. 13th Street, Suite 100 Oklahoma City, OK 73103 <a href="https://www.olders.state.ok.us/">https://www.olders.state.ok.us/</a>	Public Employees Retirement P.O. Box 53007 Oklahoma City, OK 73152 <a href="https://www.opers.ok.gov/">https://www.opers.ok.gov/</a>	Office of Management and Enterprise Services 2401 N. Lincoln Blvd, Suite 212 Oklahoma City, OK 73105 <a href="https://www.oklahoma.gov/omes">https://www.oklahoma.gov/omes</a>
Department of Wildlife Conservation P.O. Box 53465 Oklahoma City, OK 73152 <a href="https://www.wildlifedepartment.com">https://www.wildlifedepartment.com</a>	Teachers' Retirement System PO Box 53524 Oklahoma City, OK 73152 <a href="https://www.oklahoma.gov/trs">https://www.oklahoma.gov/trs</a>	Uniform Retirement System for Justices and Judges P.O. Box 53007 Oklahoma City, OK 73152 <a href="https://www.opers.ok.gov/">https://www.opers.ok.gov/</a>

### Schedules of Contributions and Related Ratios

#### General Fund

#### Schedule of Contributions Employee Group Insurance Division – Implicit Rate Subsidy Last Six Fiscal Years (expressed in thousands)

	2022	2021	2020	2019	2018	2017
Actuarially required contributions	\$ 10,359	\$ 10,553	\$ 10,746	\$ 11,698	\$ 11,008	\$ 12,706
Contributions in relation to the Actuarially required contributions	\$ 10,359	\$ 10,553	\$ 10,746	\$ 11,698	\$ 11,008	\$ 12,706
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ TBD	\$ 1,729,592	1,696,478	\$ 1,585,455	\$ 1,537,569	\$ 1,521,794
Contributions as a percentage of covered employee payroll	TBD	0.61%	0.63%	0.74%	0.72%	0.83%

**Schedule of Total Other Postemployment Benefit Liability**  
**Employee Group Insurance Division – Implicit Rate Subsidy**  
 Last Five Fiscal Years  
 (expressed in thousands)

	2021	2020	2019	2018	2017
Total OPEB liability					
Service cost	\$ 6,214	\$ 4,911	\$ 5,181	\$ 5,190	\$ 5,920
Interest	3,162	4,626	5,634	5,307	4,497
Difference between expected and actual experience		(560)	(611)	(1,242)	-
Changes of assumption or other inputs	(177)	11,662	(12,507)	(540)	(7,404)
Benefit payments	(10,553)	(10,746)	(11,699)	(11,009)	(12,706)
Net change in total OPEB liability	\$ (1,354)	\$ 9,893	\$ (14,002)	\$ (2,294)	\$ (9,693)
Total OPEB Liability-beginning	142,093	132,200	146,202	148,496	158,189
Total OPEB Liability-ending	<u>\$ 140,739</u>	<u>\$ 142,093</u>	<u>\$ 132,200</u>	<u>\$ 146,202</u>	<u>\$ 148,496</u>
Covered employee payroll	\$ 1,729,592	\$ 1,696,478	1,585,455	\$ 1,537,569	\$ 1,521,794
Total OPEB Liability as a percentage of covered employee payroll	8.14%	8.38%	8.34%	9.51%	9.76%

**Notes to Schedules:**

GASB Statement number 75 requires the information presented in the “Schedules of Required Supplementary Information” cover the 10 most recent fiscal years. The information above covers the period retroactive to the adoption of GASB Statement number 75 and is the latest available at the date of publication.

Covered employee payroll listed as “TBD” was unavailable at time of issuance.

There are no assets in a trust compliant with GASB Statement number 75 from which to pay benefits.

**Schedule of Contributions**  
**Wildlife Commission Health Insurance Allowance**  
Last Five Fiscal Years  
(expressed in thousands)

	2022	2021	2020	2019	2018
Actuarially required contributions	\$ 452	\$ 405	\$ 390	\$ 408	\$ 236
Contributions in relation to the actuarially required contributions	\$ 452	\$ 405	\$ 390	\$ 408	\$ 236
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 11,083	\$ 11,274	\$ 11,632	\$ 12,082	\$ 12,208
Contributions as a percentage of covered employee payroll	4.08%	3.59%	3.35%	3.38%	1.93%

**Schedule of Total Other Postemployment Benefit Liability**  
**Wildlife Commission Retirement Plan**  
Last Five Fiscal Years  
(expressed in thousands)

	2021	2020	2019	2018	2017
Total OPEB liability					
Service cost	\$ 228	\$ 206	\$ 213	\$ 211	\$ 121
Interest	197	227	230	273	177
Changes of benefit terms		-	-	-	2,992
Difference between expected and actual experience	(222)	28	117	(63)	(28)
Changes of assumption or other inputs	(1,016)	458	119	695	180
Benefit payments	(452)	(405)	(390)	(408)	(238)
Net change in total OPEB liability	\$ (1,265)	\$ 514	\$ 289	\$ 708	\$ 3,204
Total OPEB Liability-beginning	9,247	8,733	8,444	7,736	4,532
Total OPEB Liability-ending	\$ 7,982	\$ 9,247	\$ 8,733	\$ 8,444	\$ 7,736
Covered employee payroll	\$ 11,083	\$ 11,274	\$ 11,632	\$ 12,082	\$ 12,208
Total OPEB Liability as a percentage of covered employee payroll	72.02%	82.02%	75.08%	69.89%	63.37%

**Notes to Schedules:**

GASB Statement number 75 requires the information presented in the “Schedules of Required Supplementary Information” cover the 10 most recent fiscal years. The information above covers the period retroactive to the adoption of GASB Statement number 75 and is the latest available at the date of publication.

There are no assets in a trust compliant with GASB Statement number 75 from which to pay benefits.

## Component Units

### Schedule of Contributions Oklahoma Law Enforcement Retirement System Last Six Fiscal Years (expressed in thousands)

	2022	2021	2020	2019	2018	2017
Actuarially required contributions	\$ 312	\$ 385	\$ 358	\$ 344	\$ 380	\$ 398
Contributions in relation to the actuarially required contributions	\$ 1,302	\$ 1,309	\$ 1,279	\$ 1,285	\$ 1,285	\$ 849
Contribution deficiency (excess)	\$ (990)	\$ (924)	\$ (921)	\$ (941)	\$ (905)	\$ (451)
Covered employee payroll	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered employee payroll	N/A	N/A	N/A	N/A	N/A	N/A

### Schedule of Net Other Postemployment Benefit Liability Oklahoma Law Enforcement Retirement System Last Five Fiscal Years (expressed in thousands)

	2021	2020	2019	2018	2017
Total OPEB liability					
Service cost	\$ 333	\$ 338	\$ 340	\$ 343	\$ 357
Interest	917	926	939	933	958
Difference between expected and actual experience	(21)	(525)	(597)	(335)	(501)
Changes of assumption or other inputs			-	-	(304)
Benefit payments	(879)	(849)	(856)	(855)	(849)
Net change in total OPEB liability	\$ 350	\$ (110)	\$ (174)	\$ 86	\$ (339)
Total OPEB Liability-beginning	12,658	12,768	12,942	12,856	13,195
Total OPEB Liability-ending	\$ 13,008	\$ 12,658	\$ 12,768	\$ 12,942	\$ 12,856
Plan fiduciary net position (OPEB)					
Contributions - state agencies	\$ 1,309	\$ 1,279	\$ 1,285	\$ 1,285	\$ 849
Net investment (loss) income	364	11	17	-	-
Health insurance premiums paid	(879)	(850)	(855)	(855)	(849)
Administrative expense	(2)	(1)	-	-	-
Net change in fiduciary net position	\$ 792	\$ 439	\$ 447	\$ 430	\$ -
Fiduciary net position OPEB-beginning	1,316	877	430	-	-
Fiduciary net position OPEB-ending	\$ 2,108	\$ 1,316	\$ 877	\$ 430	\$ -
Net OPEB Liability	\$ 10,900	\$ 11,342	\$ 11,891	\$ 12,512	\$ 12,856
Fiduciary net position as a percentage of the total OPEB liability	16.21%	10.40%	6.87%	3.32%	0.00%
Covered payroll	N/A	N/A	N/A	N/A	N/A
Net OPEB Liability (Asset) as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A



**Notes to Schedules:**

GASB Statement number 75 requires the information presented in the “Schedules of Required Supplementary Information” cover the 10 most recent fiscal years. The information above covers the period retroactive to the adoption of GASB Statement number 75 and is the latest available at the date of publication.

As of June 30, 2018, OPEB had allocated assets of approximately \$428,000 and no allocated assets as of June 30, 2017. As such the return for both years is 0%. The return in future years will be the same for both OPEB and the pension plan.

Covered payroll is not meaningful to formulate a ratio of net OPEB liability as a percentage of covered payroll. Contributions are only received from employers.

**Schedule of Contributions**  
**Uniform Retirement System for Justices and Judges**  
Last Six Fiscal Years  
(expressed in thousands)

	2022	2021	2020	2019	2018	2017
Actuarially required contributions	\$ (4)	\$ 28	\$ 7	\$ 3	\$ 15	\$ 35
Contributions in relation to the actuarially required contributions	\$ 217	\$ 232	\$ 203	\$ 187	\$ 180	\$ 178
Contribution deficiency (excess)	<u>\$ (221)</u>	<u>\$ (204)</u>	<u>\$ (196)</u>	<u>\$ (184)</u>	<u>\$ (165)</u>	<u>\$ (143)</u>
Covered employee payroll	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered employee payroll	N/A	N/A	N/A	N/A	N/A	N/A

**Schedule of Net Other Postemployment Benefit Liability**  
**Uniform Retirement System for Justices and Judges**  
Last Five Fiscal Years  
(expressed in thousands)

	2021	2020	2019	2018	2017
Total OPEB liability					
Service cost	\$ 114	\$ 108	\$ 115	\$ 113	\$ 122
Interest	180	190	184	183	174
Difference between expected and actual experience	(52)	(139)	(12)	(88)	(13)
Changes of assumption or other inputs	-	107	-	-	107
Benefit payments	(206)	(209)	(197)	(183)	(179)
Net change in total OPEB liability	\$ 36	\$ 57	\$ 90	\$ 25	\$ 211
Total OPEB Liability-beginning	2,871	2,814	2,724	2,699	2,488
Total OPEB Liability-ending	<u>\$ 2,907</u>	<u>\$ 2,871</u>	<u>\$ 2,814</u>	<u>\$ 2,724</u>	<u>\$ 2,699</u>
Plan fiduciary net position (OPEB)					
Contributions - state agencies	\$ 232	\$ 203	\$ 187	\$ 180	\$ 178
Net investment (loss) income	822	144	190	251	330
Health insurance premiums paid	(206)	(209)	(197)	(182)	(179)
Administrative expense	(2)	(2)	(1)	(1)	(1)
Net change in fiduciary net position	\$ 846	\$ 136	\$ 179	\$ 248	\$ 328
Fiduciary net position OPEB-beginning	3,454	3,318	3,139	2,891	2,563
Fiduciary net position OPEB-ending	<u>4,300</u>	<u>3,454</u>	<u>3,318</u>	<u>3,139</u>	<u>2,891</u>
Net OPEB Liability	(1,393)	(583)	\$ (504)	\$ (415)	\$ (192)
Fiduciary net position as a percentage of the total OPEB liability	147.91%	120.31%	117.91%	115.23%	107.11%
Covered payroll	N/A	N/A	N/A	N/A	N/A
Net OPEB Liability (Asset) as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A

**Notes to Schedule:**

GASB Statement number 75 requires the information presented in the “Schedules of Required Supplementary Information” cover the 10 most recent fiscal years. The information above covers the period retroactive to the adoption of GASB Statement number 75 and is the latest available at the date of publication.

Covered payroll is not meaningful to formulate a ratio of net OPEB liability as a percentage of covered payroll. Contributions are only received from employers.

**Cost Sharing Other Postemployment Plans**

**Component Units**

**Schedule of Contributions**  
**Oklahoma Public Employees Retirement System**  
 Last Six Fiscal Years  
 (expressed in thousands)

	2022	2021	2020	2019	2018	2017
Actuarially required contributions	\$ 2,626	\$ 5,248	\$ 2,853	\$ 3,332	\$ 4,517	\$ 4,780
Contributions in relation to the actuarially required contributions	\$ 12,948	\$ 13,801	\$ 15,020	\$ 14,588	\$ 14,895	\$ 14,784
Contribution deficiency (excess)	<u>\$ (10,322)</u>	<u>\$ (8,553)</u>	<u>\$ (12,167)</u>	<u>\$ (11,256)</u>	<u>\$ (10,378)</u>	<u>\$ (10,004)</u>
State portion of liability	78.08%	78.08%	78.08%	77.83%	78.07%	78.52%
Covered employee payroll	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered employee payroll	N/A	N/A	N/A	N/A	N/A	N/A

**Schedule of Net Other Postemployment Benefit Liability**  
**Oklahoma Public Employees Retirement System**  
Last Five Fiscal Years  
(expressed in thousands)

	2021	2020	2019	2018	2017
Total OPEB liability					
Service cost	\$ 6,237	\$ 5,908	\$ 6,156	\$ 6,532	\$ 6,713
Interest	16,226	17,060	17,380	17,362	17,717
Difference between expected and actual experience	(14,706)	(14,744)	(14,617)	(8,274)	(13,158)
Changes of assumption or other inputs	3	11,629	31	-	8,695
Benefit payments	(13,819)	(14,187)	(14,441)	(14,708)	(14,918)
Net change in total OPEB liability	\$ (6,059)	\$ 5,666	\$ (5,491)	\$ 912	\$ 5,049
Change in prior year allocation				(1,480)	-
Total OPEB Liability-beginning	256,349	250,683	256,174	255,262	251,693
Total OPEB Liability-ending	<u>\$ 250,290</u>	<u>\$ 256,349</u>	<u>\$ 250,683</u>	<u>\$ 256,174</u>	<u>\$ 256,742</u>
Plan fiduciary net position (OPEB)					
Contributions - state agencies	\$ 13,801	\$ 15,020	\$ 14,588	\$ 14,895	\$ 14,784
Net investment (loss) income	64,822	11,330	14,664	19,909	28,068
Health insurance premiums paid	(13,819)	(14,188)	(14,442)	(14,708)	(14,918)
Administrative expense	(128)	(143)	(149)	(139)	(144)
Net change in fiduciary net position	\$ 64,676	\$ 12,019	\$ 14,661	\$ 19,957	\$ 27,790
Fiduciary net position OPEB-beginning	292,957	280,938	266,277	247,748	219,958
Change in prior year allocation				(1,428)	
Adjusted fiduciary net position OPEB-beginning	292,957	280,938	266,277	246,320	219,958
Fiduciary net position OPEB-ending	<u>357,633</u>	<u>292,957</u>	<u>\$ 280,938</u>	<u>\$ 266,277</u>	<u>\$ 247,748</u>
Net OPEB Liability (Asset)	(107,343)	(36,608)	\$ (30,255)	\$ (10,103)	\$ 8,994
State portion of liability	78.08%	78.08%	77.83%	78.07%	78.52%
Fiduciary net position as a percentage of the total OPEB liability	142.87%	114.27%	112.07%	103.94%	96.50%
Covered payroll	N/A	N/A	N/A	N/A	N/A
Net OPEB Liability (Asset) as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A

**Notes to Schedule:**

GASB Statement number 75 requires the information presented in the “Schedules of Required Supplementary Information” cover the 10 most recent fiscal years. The information above covers the period retroactive to the adoption of GASB Statement number 75 and is the latest available at the date of publication.

Covered payroll is not meaningful to formulate a ratio of net OPEB liability as a percentage of covered payroll. Contributions are only received from employers.

**Schedule of Contributions**  
**Teachers' Retirement System**  
 Last Six Fiscal Years  
 (expressed in thousands)

	2022	2021	2020	2019	2018	2017
Actuarially required contributions	\$ -	\$ 1,424	\$ 214	\$ 226	\$ 771	\$ 1,698
Contributions in relation to the actuarially required contributions	\$ -	\$ 1,424	\$ 214	\$ 226	\$ 771	\$ 1,698
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State portion of liability	22.63%	23.40%	23.40%	25.75%	26.46%	26.07%
Covered employee payroll	\$ 1,134,976	\$ 1,128,413	\$ 1,108,985	\$ 1,151,751	\$ 1,098,170	\$ 1,061,401
Contributions as a percentage of covered employee payroll	0.00%	0.13%	0.02%	0.02%	0.07%	0.16%

**Schedule of Net Other Postemployment Benefit Liability**  
**Teachers' Retirement System**  
Last Five Fiscal Years  
(expressed in thousands)

	2021	2020	2019	2018	2017
Total OPEB liability					
Service cost	\$ 1,468	\$ 1,455	\$ 1,586	\$ 1,701	\$ 1,733
Interest	6,596	6,942	7,814	8,208	8,274
Difference between expected and actual experience	(1,188)	(1,260)	(2,560)	(2,597)	(3,699)
Changes of assumption or other inputs	76	7,431	466	-	-
Benefit payments	(7,957)	(8,347)	(9,192)	(9,782)	(7,903)
Net change in total OPEB liability	<u>\$ (1,005)</u>	<u>\$ 6,221</u>	<u>\$ (1,886)</u>	<u>\$ (2,470)</u>	<u>\$ (1,595)</u>
Total OPEB Liability-beginning	\$ 115,336	\$ 109,115	\$ 111,001	\$ 111,796	\$ 113,391
Change in prior year allocation			-	1,675	-
Total OPEB Liability-ending	<u><u>\$ 114,331</u></u>	<u><u>\$ 115,336</u></u>	<u><u>\$ 109,115</u></u>	<u><u>\$ 111,001</u></u>	<u><u>\$ 111,796</u></u>
Plan fiduciary net position (OPEB)					
Contributions - state agencies	\$ 1,378	\$ 214	\$ 226	\$ 771	\$ 1,698
Net investment (loss) income	32,089	754	5,895	11,846	16,244
Health insurance premiums paid	(7,957)	(8,347)	(9,192)	(9,782)	(7,903)
Administrative expense	(8)	-	(1)	(3)	(7)
Net change in fiduciary net position	<u>\$ 25,502</u>	<u>\$ (7,379)</u>	<u>\$ (3,072)</u>	<u>\$ 2,832</u>	<u>\$ 10,032</u>
Fiduciary net position OPEB-beginning	117,654	125,033	128,105	123,423	113,391
Change in prior year allocation		-	-	1,850	-
Fiduciary net position OPEB-ending	<u><u>\$ 143,156</u></u>	<u><u>\$ 117,654</u></u>	<u><u>\$ 125,033</u></u>	<u><u>\$ 128,105</u></u>	<u><u>\$ 123,423</u></u>
Net OPEB Liability	\$ (28,825)	\$ (2,318)	\$ (15,918)	\$ (17,104)	\$ (11,627)
State portion of liability	22.63%	23.40%	25.75%	26.46%	26.07%
Fiduciary net position as a percentage of the total OPEB liability	125.21%	102.30%	115.07%	115.41%	110.40%
Covered payroll	\$ 1,091,433	\$ 1,108,985	\$ 1,151,751	\$ 1,098,170	\$ 1,061,401
Net OPEB Liability (Asset) as a percentage of covered payroll	(2.64%)	(0.21%)	(1.38%)	(1.56%)	(1.10%)

**Notes to Schedule:**

GASB Statement number 75 requires the information presented in the "Schedules of Required Supplementary Information" cover the 10 most recent fiscal years. The information above covers the period retroactive to the adoption of GASB Statement number 75 and is the latest available at the date of publication.

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Top: A group of students singing Christmas carols looks down from the fourth floor rotunda.

Right: A smaller version of the Guardian statue stands near the new visitors' entrance on the ground floor. The Guardian on top of the Capitol dome is 22 feet high and weighs 7,000 pounds. The indoor version is seven feet tall and weighs 1,000 pounds.







## Description of Fiduciary Funds and Similar Component Units

Fiduciary funds account for assets held in a trustee capacity or as an agent for individuals, private organizations, other governmental organizations, and/or other funds.

### PENSION TRUST FUNDS

The pension trust funds account for the transactions, assets, liabilities, and net position held in a trustee capacity for the benefit of the plan members.

#### WILDLIFE CONSERVATION RETIREMENT PLAN

P.O. Box 53465, Oklahoma City, Oklahoma 73152

<https://www.wildlifedepartment.com>

This Plan is part of the primary government. The Plan accounts for transactions, assets, liabilities, and net position available for payment of plan benefits to employees of the Department of Wildlife Conservation.

The State of Oklahoma has six public employee retirement systems that meet the definition of a component unit, but are presented with the fiduciary funds of the state:

#### OKLAHOMA FIREFIGHTERS PENSION AND RETIREMENT SYSTEM

6601 Broadway Ext Suite 100, Oklahoma City, Oklahoma 73105

<https://www.ok.gov/fprs>

The system provides retirement benefits for municipal firefighters in the State of Oklahoma.

#### OKLAHOMA LAW ENFORCEMENT RETIREMENT SYSTEM

421 NW 13<sup>th</sup> St., Suite 100, Oklahoma City, Oklahoma 73103

<https://www.olders.state.ok.us>

The system provides retirement benefits for qualified law enforcement officers in the State of Oklahoma.

#### OKLAHOMA PUBLIC EMPLOYEES RETIREMENT SYSTEM

P.O. Box 53007, Oklahoma City, Oklahoma 73152

<https://www.opers.ok.gov>

The system administers the Oklahoma public employee retirement plan, which provides retirement benefits for state, county and local employees in the State of Oklahoma.

#### UNIFORM RETIREMENT SYSTEM FOR JUSTICES AND JUDGES

P.O. Box 53007, Oklahoma City, Oklahoma 73152

<https://www.opers.ok.gov>

The system provides retirement benefits for justices and judges in the State of Oklahoma.

#### OKLAHOMA POLICE PENSION AND RETIREMENT SYSTEM

1001 N.W. 63<sup>rd</sup> Street, Suite 305, Oklahoma City, Oklahoma 73116

[www.ok.gov/opprs](http://www.ok.gov/opprs)

The system provides retirement benefits for police officers employed by participating municipalities in the State of Oklahoma.

#### TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA

P.O. Box 53524, Oklahoma City, Oklahoma 73152

<https://www.ok.gov/trs>

The system provides retirement allowances and benefits for qualified persons employed by state-supported educational institutions in the State of Oklahoma.

### CUSTODIAL FUNDS

Custodial funds account for the receipt and disbursement of various monies and property collected by the state, acting in the capacity of an agent, for distribution to non-state parties.

**Taxes Held for Outside Entities** is maintained by the Oklahoma Tax Commission to account for taxes held for distribution to county and city governments.

**Funds Held in Escrow** are monies held in an account until certain conditions or requirements are met. These include: (1) Cash Performance Bonds maintained by the Department of Mines until mining is complete and reclamation meets specifications, (2) Unlocated Mineral Owner's Fund maintained by the Corporation Commission (3) Workers' Compensation Claims Under Appeal maintained by the Workers' Compensation Court of Existing Claims, (4) Unsettled Premium Tax Suits, an escrow account maintained by the Oklahoma Insurance Department for depositing of protested taxes and/or fees imposed under Oklahoma law, (5) Other monies accounted for by the State Department of Health for bond requirements for disposal sites, by the Department of Public Safety for the retention and refund of financial responsibility security amounts, and (6) funds in escrow at the Attorney General's Office received as a result of litigation.

**Assets Held for Beneficiaries** are monies maintained for: (1) clients in institutions under the jurisdiction of the Office of Juvenile Affairs, Department of Human Services (DHS), the Department of Corrections, the Department of Veterans Affairs, and the Department of Mental Health, (2) DHS custodial parents from the collection from absent parents, and (3) DHS clients placed in agency custody.

**Other** is monies accounted for (1) by the Department of Human Capital Management for the Office of Management and Enterprise Services for payment of employee claims against SoonerFlex flexible spending accounts, (2) deposits held by Capital Asset Management of the Office of Management and Enterprise Services for bid process documents, (3) donations held by the District Attorney's Council for the Murrah Crime Victims Compensation Fund, and (4) funds held by the Department of Transportation which had accrued to its former health insurance rate stabilization account and are being returned to the accounts contributors.

State of Oklahoma  
Combining Statement of Fiduciary Net Position  
Pension Trust Funds  
(Including Similar Component Units)  
June 30, 2022  
(expressed in thousands)

	Primary	Fiduciary Component Units						Total
	Government	Oklahoma	Oklahoma	Oklahoma	Uniform	Oklahoma	Teachers'	
	Wildlife	Firefighters	Law	Public	Retirement	Police	Retirement	
	Conservation	Pension and	Enforcement	Employees	System for	Pension and	System of	
	Retirement	Retirement	Retirement	Retirement	Justices and	Retirement	System of	
	Plan	System	System	System	Judges	System	Oklahoma	
<b>Assets</b>								
Cash/Cash Equivalents	\$ 6,080	\$ 54,898	\$ 11,652	\$ 181,292	\$ 5,064	\$ 67,874	\$ 541,564	\$ 868,424
Investments, at fair value								
Equity Securities	87,917	1,836,005	572,034	6,962,932	241,069	1,116,548	10,788,670	21,605,175
Governmental Securities	6,480	66,739	78,738	2,404,988	85,602	28,951	1,770,679	4,442,177
Debt Securities	8,504	336,938	172,669	1,121,409	36,336	455,183	2,993,692	5,124,731
Other Investments	10,462	940,485	262,632	10,489	-	1,332,005	3,625,191	6,181,264
Securities Lending Investments	-	97,514	70,948	481,838	15,107	4,849	1,421,897	2,092,153
Interest and Investment								
Revenue Receivable	-	2,934	969	22,168	536	1,653	79,550	107,810
Contributions Receivable:								
Employer	-	464	-	2,624	62	1,841	51,494	56,485
Employee	-	720	560	4,091	22	1,133	30,650	37,176
Other Receivables	-	33	617	-	-	-	-	650
Due from Broker	-	-	-	289,102	9,932	216	324,038	623,288
Due from Component Units	-	-	-	717	-	-	-	717
Due from Other Funds	-	18,762	4,490	11,177	-	7,297	59,059	100,785
Capital Assets, Net	-	774	692	-	-	-	3,525	4,991
Other Assets	-	-	-	419	-	-	-	419
<b>Total Assets</b>	<b>\$ 119,443</b>	<b>\$ 3,356,266</b>	<b>\$ 1,176,001</b>	<b>\$ 11,493,246</b>	<b>\$ 393,730</b>	<b>\$ 3,017,550</b>	<b>\$ 21,690,009</b>	<b>\$ 41,246,245</b>
<b>Liabilities</b>								
Accounts Payable and Accrued	\$ -	\$ 280,163	\$ 697	\$ -	\$ -	\$ 743	\$ -	\$ 281,603
Liabilities								
Securities Lending Payable	-	97,514	70,948	481,838	15,107	4,849	1,421,897	2,092,153
Due to Broker	-	556	22,604	618,478	21,060	-	480,703	1,143,401
Due to Other Funds	-	4	2	22	-	6	34	68
Benefits in the Process of Payment	-	-	4,739	-	-	2,864	108,987	116,590
Other Liabilities	-	183	77	-	-	121	8,980	9,361
<b>Total Liabilities</b>	<b>\$ -</b>	<b>\$ 378,420</b>	<b>\$ 99,067</b>	<b>\$ 1,100,338</b>	<b>\$ 36,167</b>	<b>\$ 8,583</b>	<b>\$ 2,020,601</b>	<b>\$ 3,643,176</b>
<b>Net Position Restricted for Employees' Pension Benefits</b>	<b>\$ 119,443</b>	<b>\$ 2,977,846</b>	<b>\$ 1,076,934</b>	<b>\$ 10,392,908</b>	<b>\$ 357,563</b>	<b>\$ 3,008,967</b>	<b>\$ 19,669,408</b>	<b>\$ 37,603,069</b>

State of Oklahoma  
Combining Statement of Changes in Fiduciary Net Position  
Pension Trust Funds  
(Including Similar Component Units)  
For the fiscal year ending June 30, 2022  
(expressed in thousands)

	Primary	Fiduciary Component Units						Total
	Government	Oklahoma	Oklahoma	Oklahoma	Uniform	Oklahoma		
	Wildlife	Firefighters	Law	Public	Retirement	Police	Teachers'	
	Conservation	Pension and	Enforcement	Employees	System for	Pension and	Retirement	
	Retirement	Retirement	Retirement	Retirement	Justices and	Retirement	System of	
	Plan	System	System	System	Judges	System	Oklahoma	
<b>Additions</b>								
Contributions								
Employer Contributions	\$ 2,500	\$ 45,932	\$ 10,871	\$ 299,743	\$ 7,860	\$ 46,124	\$ 495,861	\$ 908,891
Employee Contributions	554	29,183	6,714	66,392	2,867	29,096	366,067	500,873
Other Contributions	-	102,443	25,285	-	-	39,848	471,548	639,124
<b>Total Contributions</b>	<b>\$ 3,054</b>	<b>\$ 177,558</b>	<b>\$ 42,870</b>	<b>\$ 366,135</b>	<b>\$ 10,727</b>	<b>\$ 115,068</b>	<b>\$ 1,333,476</b>	<b>\$ 2,048,888</b>
Investment Income								
Net Appreciation in Fair Value of Investments	\$ (19,096)	\$ (409,429)	\$ (138,712)	\$ (1,902,266)	\$ (64,797)	\$ (195,689)	\$ (2,458,903)	\$ (5,188,892)
Interest and Investment Revenue	2,590	24,799	16,505	129,048	2,297	17,863	443,934	637,036
	\$ (16,506)	\$ (384,630)	\$ (122,207)	\$ (1,773,218)	\$ (62,500)	\$ (177,826)	\$ (2,014,969)	\$ (4,551,856)
Less Investment Expenses	246	25,789	6,398	15,281	165	18,683	62,693	129,255
<b>Net Investment Income</b>	<b>\$ (13,698)</b>	<b>\$ (232,861)</b>	<b>\$ (85,735)</b>	<b>\$ (1,422,364)</b>	<b>\$ (51,938)</b>	<b>\$ (81,441)</b>	<b>\$ (744,186)</b>	<b>\$ (2,632,223)</b>
<b>Total Additions</b>	<b>\$ (13,698)</b>	<b>\$ (232,861)</b>	<b>\$ (85,735)</b>	<b>\$ (1,422,364)</b>	<b>\$ (51,938)</b>	<b>\$ (81,441)</b>	<b>\$ (744,186)</b>	<b>\$ (2,632,223)</b>
<b>Deductions</b>								
Administrative and General Expenses	\$ 40	\$ 2,258	\$ 1,507	\$ 5,892	\$ 193	\$ 2,240	\$ 5,838	\$ 17,968
Benefit Payments and Refunds	8,560	307,845	83,173	704,719	23,757	197,311	1,632,637	2,958,002
<b>Total Deductions</b>	<b>\$ 8,600</b>	<b>\$ 310,103</b>	<b>\$ 84,680</b>	<b>\$ 710,611</b>	<b>\$ 23,950</b>	<b>\$ 199,551</b>	<b>\$ 1,638,475</b>	<b>\$ 2,975,970</b>
<b>Net Increase</b>	<b>\$ (22,298)</b>	<b>\$ (542,964)</b>	<b>\$ (170,415)</b>	<b>\$ (2,132,975)</b>	<b>\$ (75,888)</b>	<b>\$ (280,992)</b>	<b>\$ (2,382,661)</b>	<b>\$ (5,608,193)</b>
<b>Net Position Restricted for Employees' Pension Benefits</b>								
<b>Beginning of Year</b>	<b>141,741</b>	<b>3,520,810</b>	<b>1,247,349</b>	<b>12,525,883</b>	<b>433,451</b>	<b>3,289,959</b>	<b>22,052,069</b>	<b>43,211,262</b>
<b>End of Year</b>	<b>\$ 119,443</b>	<b>\$ 2,977,846</b>	<b>\$ 1,076,934</b>	<b>\$ 10,392,908</b>	<b>\$ 357,563</b>	<b>\$ 3,008,967</b>	<b>\$ 19,669,408</b>	<b>\$ 37,603,069</b>

State of Oklahoma  
Combining Statement of Assets and Liabilities  
Custodial Funds  
June 30, 2022  
(expressed in thousands)

	Taxes Held for Outside Entity	Assets Held in Escrow	Assets Held for Beneficiaries	Other	Total
<b>Assets</b>					
Assets					
Cash/Cash Equivalents	\$ 277,405	\$ 107,069	\$ 17,917	\$ 52,541	\$ 454,932
Accounts Receivable	5,131	-	32	-	5,163
Taxes Receivable	181,180	-	-	-	181,180
Inventory	-	-	-	11,185	11,185
Total Assets	<u>\$ 463,716</u>	<u>\$ 107,069</u>	<u>\$ 17,949</u>	<u>\$ 63,726</u>	<u>\$ 652,460</u>
<b>Liabilities</b>					
Accounts Payable	\$ -	\$ -	\$ 1,435	\$ -	\$ 1,435
Tax Refunds Payable	1,878	-	-	-	1,878
Deferred Revenue	11,168	-	-	-	11,168
Due to Others	450,670	107,069	16,514	63,726	637,979
Total Liabilities	<u>\$ 463,716</u>	<u>\$ 107,069</u>	<u>\$ 17,949</u>	<u>\$ 63,726</u>	<u>\$ 652,460</u>

State of Oklahoma  
Combining Statement of Changes in Fiduciary Net Position  
Custodial Funds

For the fiscal year ending June 30, 2022  
(expressed in thousands)

	Taxes Held for Outside Entity	Assets Held in Escrow	Assets Held for Beneficiaries	Other	Total
<b>Additions</b>					
Investment Income					
Interest and Investment Revenue	\$ 1,388	\$ 19,860	\$ 293	\$ 64	\$ 21,605
Less Investment Expenses	-	19,860	-	-	19,860
Net Investment Earnings	<u>\$ 1,388</u>	<u>\$ -</u>	<u>\$ 293</u>	<u>\$ 64</u>	<u>\$ 1,745</u>
Taxes Collected for Other Governments	\$ 2,737,539	\$ -	\$ -	\$ -	\$ 2,737,539
Collections for Beneficiaries	-	-	405,858	-	405,858
Federal Grants	10	-	-	-	10
Other Collections	10,661	-	12,292	13,311	36,264
Total Additions	<u>\$ 2,748,210</u>	<u>\$ -</u>	<u>\$ 418,150</u>	<u>\$ 13,311</u>	<u>\$ 3,179,671</u>
<b>Deductions</b>					
Benefit Payments and Refunds	\$ -	\$ -	\$ 418,442	\$ -	\$ 418,442
Taxes Disbursed to Other Governments	2,749,599	-	-	-	2,749,599
Other Expenditures	-	-	-	13,375	13,375
Total Deductions	<u>\$ 2,749,599</u>	<u>\$ -</u>	<u>\$ 418,442</u>	<u>\$ 13,375</u>	<u>\$ 3,181,416</u>

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## Description of Nonmajor Component Units

The State of Oklahoma has seven nonmajor component units which are described below:

### OKLAHOMA EDUCATIONAL TELEVISION AUTHORITY

7403 N. Kelley Ave., Oklahoma City, OK 73111  
<https://www.oeta.tv>

The authority provides educational television services to all Oklahoma citizens on a coordinated statewide basis.

### OKLAHOMA INDUSTRIAL FINANCE AUTHORITY

9220 N. Kelley Ave., Oklahoma City, OK 73131

The authority assists with the state's industrial development by making loans to authorized industrial development agencies or trusts and new or expanding industries within Oklahoma. The loans are financed by issuance of general obligation bonds.

### MULTIPLE INJURY TRUST FUND

421 NW 13<sup>th</sup> Street, Suite 105, Oklahoma City, OK 73103

The fund provides additional compensation to a worker with a pre-existing injury who suffers a second injury.

### UNIVERSITY HOSPITALS AUTHORITY & TRUST

P.O. Box 26307, Oklahoma City, OK 73126  
<https://uhatok.com>

The authority consists of The University Hospital and Children's Hospital of Oklahoma. The University Hospital is affiliated with the University of Oklahoma Health Sciences Center. The University Hospital is financed primarily through patient service charges.

### OKLAHOMA DEVELOPMENT FINANCE AUTHORITY

9220 N. Kelley Ave., Oklahoma City, OK 73131

The authority provides financing for both public and private entities in the state. The authority obtains funds through the issuance of bonds and notes.

### OKLAHOMA CAPITAL INVESTMENT BOARD

13905 Quail Pointe Drive, Suite A, Oklahoma City, OK 73134  
<https://www.ocib.org>

The authority assists the state with industrial development by mobilizing equity and near-equity capital for investment to potential creation of jobs and growth that will diversify and stabilize the economy.

### OKLAHOMA STATE UNIVERSITY MEDICAL AUTHORITY

1111 W. 17<sup>th</sup> Street, Tulsa, OK 74107  
<https://medicine.okstate.edu>

The Authority is charged with overseeing the 50-year Academic Affiliation Agreement signed between Tulsa Regional Medical Center and OSU Center for Health Sciences. The agreement provides for funding, teaching and training facilities to the graduate medical program associated with the Oklahoma State University Center for Health Sciences.



State of Oklahoma  
Combining Statement of Net Position  
Nonmajor Component Units  
June 30, 2022  
(expressed in thousands)

	Oklahoma Educational Television Authority	Oklahoma Industrial Finance Authority	Multiple Injury Trust Fund	University Hospitals Authority	Oklahoma Development Finance Authority	Oklahoma Capital Investment Board	Oklahoma State Univ. Medical Authority	Nonmajor Component Units Total
<b>Assets</b>								
<b>Current Assets</b>								
Cash/Cash Equivalents - Unrestricted	\$ 6,796	\$ 32,630	\$ 10,262	\$ 77,563	\$ 11,285	\$ 1,646	\$ 96,307	\$ 236,489
Investments	36,858	-	-	19,449	-	7,607	-	63,914
Accounts Receivable	373	-	-	21,048	540	-	14,909	36,870
Interest and Investment Revenue Receivable	-	59	10	62	-	-	-	131
Notes Receivable	-	627	-	-	30	-	-	657
Other Receivables	76	2	-	-	-	-	2,326	2,404
Due from Primary Government	-	-	11,725	130,182	-	-	-	141,907
Prepaid Items	236	-	-	-	-	-	3,399	3,635
Other Current Assets	-	-	-	-	-	-	5,312	5,312
<b>Total Current Assets</b>	<b>\$ 44,339</b>	<b>\$ 33,318</b>	<b>\$ 21,997</b>	<b>\$ 248,304</b>	<b>\$ 11,855</b>	<b>\$ 9,253</b>	<b>\$ 122,253</b>	<b>\$ 491,319</b>
<b>Noncurrent Assets</b>								
Cash/Cash Equivalents - Restricted	\$ -	\$ -	\$ -	\$ 188	\$ -	\$ -	\$ -	\$ 188
Investments - Restricted	-	-	-	-	11	-	-	11
Long-Term Investments - Unrestricted	-	4,574	-	-	-	-	-	4,574
Leases Receivables - Component Units	-	-	-	-	16	-	-	16
Long Term Notes Receivable, Restricted	-	6,360	-	-	-	-	-	6,360
Net Pension Asset	1,481	333	-	1,692	-	-	-	3,506
Net Other Postemployment Benefit Asset	152	-	-	-	-	-	-	152
<b>Capital Assets</b>								
Depreciable, Net	7,411	-	27	250,735	1,102	-	51,835	311,110
Land	26	-	-	13,854	286	-	-	14,166
Construction in Progress	-	-	-	2,954	-	-	13,740	16,694
<b>Other Noncurrent Assets</b>								
Unrestricted	-	-	-	54,040	14	-	377	54,431
Restricted	-	-	-	36	-	-	-	36
<b>Total Noncurrent Assets</b>	<b>\$ 9,070</b>	<b>\$ 11,267</b>	<b>\$ 27</b>	<b>\$ 323,499</b>	<b>\$ 1,429</b>	<b>\$ -</b>	<b>\$ 65,952</b>	<b>\$ 411,244</b>
<b>Total Assets</b>	<b>\$ 53,409</b>	<b>\$ 44,585</b>	<b>\$ 22,024</b>	<b>\$ 571,803</b>	<b>\$ 13,284</b>	<b>\$ 9,253</b>	<b>\$ 188,205</b>	<b>\$ 902,563</b>
<b>Deferred Outflows</b>								
Deferred Outflows from Pensions	434	88	-	348	-	-	-	870
<b>Total Deferred Outflows</b>	<b>\$ 434</b>	<b>\$ 88</b>	<b>\$ -</b>	<b>\$ 348</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 870</b>
<b>Liabilities</b>								
<b>Current Liabilities</b>								
Accounts Payable and Accrued Liabilities	\$ 172	\$ 2	\$ 15	\$ 100,957	\$ 1	\$ -	\$ 25,797	\$ 126,944
Unearned Revenue	83	-	-	-	-	-	-	83
Claims and Judgements	-	-	50,545	-	-	-	-	50,545
Interest Payable	-	82	25	-	-	-	6	113
Compensated Absences	79	65	85	257	-	-	-	486
Due to Fiduciary Funds	-	-	-	24	-	-	-	24
Due to Other Component Units	-	-	-	13,766	-	-	-	13,766
Due to Primary Government	1	2	8	-	-	-	-	11
Right to Use Leases	186	-	-	-	3	-	1,072	1,261
Notes Payable	-	-	1,414	-	-	-	-	1,414
Other Current Liabilities	-	10,007	-	-	-	-	4,372	14,379
<b>Total Current Liabilities</b>	<b>\$ 521</b>	<b>\$ 10,158</b>	<b>\$ 52,092</b>	<b>\$ 115,004</b>	<b>\$ 4</b>	<b>\$ -</b>	<b>\$ 31,247</b>	<b>\$ 209,026</b>
<b>Noncurrent Liabilities</b>								
Claims and Judgements	\$ -	\$ -	\$ 406,949	\$ -	\$ -	\$ -	\$ -	\$ 406,949
Right to Use Leases	384	-	-	-	11	-	827	1,222
Compensated Absences	220	-	-	-	-	-	-	220
General Obligation Bonds	-	30,000	-	-	-	-	-	30,000
Revenue Bonds	-	-	-	-	3,000	-	-	3,000
Net Other Postemployment Benefit Liability	171	-	-	-	-	-	-	171
Other Noncurrent Liabilities	-	-	-	-	18	-	-	18
<b>Total Noncurrent Liabilities</b>	<b>\$ 775</b>	<b>\$ 30,000</b>	<b>\$ 406,949</b>	<b>\$ -</b>	<b>\$ 3,029</b>	<b>\$ -</b>	<b>\$ 827</b>	<b>\$ 441,580</b>
<b>Total Liabilities</b>	<b>\$ 1,296</b>	<b>\$ 40,158</b>	<b>\$ 459,041</b>	<b>\$ 115,004</b>	<b>\$ 3,033</b>	<b>\$ -</b>	<b>\$ 32,074</b>	<b>\$ 650,606</b>
<b>Deferred Inflows of Resources</b>								
Deferred Inflows from Pensions	\$ 1,801	\$ 380	\$ -	\$ 1,930	\$ -	\$ -	\$ -	\$ 4,111
Refinancing of Debt	-	-	-	-	15	-	-	15
<b>Total Deferred Inflows</b>	<b>\$ 1,801</b>	<b>\$ 380</b>	<b>\$ -</b>	<b>\$ 1,930</b>	<b>\$ 15</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,126</b>
<b>Net Position</b>								
Net Investment in Capital Assets	\$ 6,869	\$ -	\$ -	\$ 267,543	\$ 1,388	\$ -	\$ 62,733	\$ 338,533
<b>Restricted for:</b>								
Other Special Purpose Expendable	3,471	-	-	224	-	-	19,305	23,000
Unrestricted	40,406	4,135	(437,017)	187,450	8,848	9,253	74,093	(112,832)
<b>Total Net Position</b>	<b>\$ 50,746</b>	<b>\$ 4,135</b>	<b>\$ (437,017)</b>	<b>\$ 455,217</b>	<b>\$ 10,236</b>	<b>\$ 9,253</b>	<b>\$ 156,131</b>	<b>\$ 248,701</b>

State of Oklahoma  
Combining Statement of Activities  
Nonmajor Component Units  
For the Fiscal Year Ended June 30, 2022  
(expressed in thousands)

	Program Revenues				General Revenue		Net Position Beginning of Year	Net Position End of Year
	Expenses	Charges for Services	Operating Grants and Contributions	Net (Expense) Revenue	Payments from Primary Government	Change in Net Asset		
Nonmajor Component Units:								
Oklahoma Educational Television Authority	\$ 15,058	\$ 9,850	\$ 275	\$ (4,933)	\$ -	\$ (4,933)	\$ 55,679	\$ 50,746
Oklahoma Industrial Finance Authority	617	787	-	170	-	170	3,965	4,135
Multiple Injury Trust Fund	34,268	91	-	(34,177)	64,500	30,323	(467,340)	(437,017)
University Hospitals Authority	392,429	343,573	-	(48,856)	86,592	37,736	417,481	455,217
Oklahoma Development Finance Authority	1,005	1,299	-	294	-	294	9,942	10,236
Oklahoma Capital Investment Board	188	(899)	-	(1,087)	-	(1,087)	10,340	9,253
OSU Medical Authority	229,836	190,421	69,889	30,474	-	30,474	125,657	156,131
<b>Total Nonmajor Component Units</b>	<b>\$ 673,401</b>	<b>\$ 545,122</b>	<b>\$ 70,164</b>	<b>\$ (58,115)</b>	<b>\$ 151,092</b>	<b>\$ 92,977</b>	<b>\$ 155,724</b>	<b>\$ 248,701</b>

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Above: Students tour the fourth floor rotunda at the State Capitol.



Left: Guide Bill Parks explains details of “Pro Patria,” paintings dedicated to the tragedies and triumphs of World War I. The art is installed above the “Hidden Staircase” which leads from the large doors on the south side of the Capitol to the fourth floor.



Right: The students hear about “Sequoyah,” a painting of the Cherokee chief who created the written form of the Cherokee language.





## Using the Statistical Section

The statistical section of the Annual Comprehensive Financial Report (ACFR) presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the state's overall financial health. The information is grouped into the following five categories:

### **Financial Trends** – Net Position by Component, Changes in Net Position, Fund Balances, and Changes in Fund Balance

These schedules contain trend information to help the reader understand how the state's financial performance and well-being have changed over time.

### **Revenue Capacity** – Personal Income by Industry, Personal Income Tax Filers and Liability by Adjusted Gross Income, and Tax Collections

These schedules contain information to help the reader assess the ability of the state to generate and collect taxes.

### **Debt Capacity** – Percentage of Annual Debt Service Expenditures for General Bonded Debt to Total Expenditures, Ratios of Outstanding Debt by Type, and Revenue Bond Coverage

These schedules present information to help the reader assess the affordability of the state's current levels of outstanding debt, its ability to issue additional debt in the future, and its ability to repay the outstanding debt.

### **Demographic and Economic Information** – Major Employers by Size, Demographic and Economic Statistics, and School Enrollments

These schedules offer demographic and economic indicators to help the reader understand the environment within which the state's financial activities take place and to help make comparisons over time and with other governments.

### **Operating Information** – Government Employees by Function, Capital Asset Utilization by Function, Operating Indicators for Governmental Functions, and Additional Information and Sources of Statistical Data

These schedules contain information about the state's operations and resources to help the reader understand how the state's financial information relates to the services the state provides and the activities it performs.

*Sources: Unless otherwise noted, the information in these schedules is derived from ACFR of the relevant year.*

State of Oklahoma  
 Schedule of Net Position by Component  
 Last Ten Fiscal Years  
 (expressed in thousands)

	2013	2014	2015	2016	2017
Governmental activities					
Net investment in capital assets	\$ 9,650,570	\$ 9,992,791	\$ 10,425,644	\$ 10,865,784	\$ 11,031,695
Restricted	4,182,822	4,698,509	4,930,516	4,140,040	4,392,708
Unrestricted	2,106,533	2,029,441	1,696,768	1,397,498	1,484,206
Total governmental activities net position	<u>\$ 15,939,925</u>	<u>\$ 16,720,741</u>	<u>\$ 17,052,928</u>	<u>\$ 16,403,322</u>	<u>\$ 16,908,609</u>
Business-type activities					
Net investment in capital assets	\$ 1,037	\$ 1,415	\$ 1,914	\$ 2,856	\$ 2,477
Restricted	1,353,998	1,573,491	1,601,651	1,468,588	1,423,476
Unrestricted	602,997	636,300	582,633	528,198	532,518
Total business-type activities net position	<u>\$ 1,958,032</u>	<u>\$ 2,211,206</u>	<u>\$ 2,186,198</u>	<u>\$ 1,999,642</u>	<u>\$ 1,958,471</u>
Primary government					
Net investment in capital assets	\$ 9,651,607	\$ 9,994,206	\$ 10,427,558	\$ 10,868,640	\$ 11,034,172
Restricted	5,536,820	6,272,000	6,532,167	5,608,628	5,816,184
Unrestricted	2,709,530	2,665,741	2,279,401	1,925,696	2,016,724
Total primary government net position	<u>\$ 17,897,957</u>	<u>\$ 18,931,947</u>	<u>\$ 19,239,126</u>	<u>\$ 18,402,964</u>	<u>\$ 18,867,080</u>

State of Oklahoma  
 Fund Balances - Governmental Funds  
 Last Ten Fiscal Years  
 (Modified accrual basis of accounting)  
 (expressed in thousands)

	2013	2014	2015	2016	2017
General Fund					
Nonspendable	\$ 84,743	\$ 74,278	\$ 76,851	\$ 80,281	\$ 78,555
Restricted	1,240,573	1,340,771	1,572,465	815,862	790,129
Committed	2,788,761	2,632,260	2,634,649	2,445,893	2,245,651
Assigned	1,960	1,777	1,045	609	542
Unassigned	133,796	133,796	96,297	25,866	23,338
Total General Fund	<u>\$ 4,249,833</u>	<u>\$ 4,182,882</u>	<u>\$ 4,381,307</u>	<u>\$ 3,368,511</u>	<u>\$ 3,138,215</u>
All Other Governmental Funds					
Nonspendable	\$ 2,829,731	\$ 3,226,796	\$ 3,228,359	\$ 3,212,407	\$ 3,508,054
Restricted	12,438	7,417	1,265	5,081	-
Committed	-	53,430	48,967	29,394	41,833
Assigned	60,952	70,096	79,460	77,296	52,692
Unassigned	39,056	-	-	-	-
Total All Other Governmental Funds	<u>\$ 2,942,177</u>	<u>\$ 3,357,739</u>	<u>\$ 3,358,051</u>	<u>\$ 3,324,178</u>	<u>\$ 3,602,579</u>
Total All Governmental Fund Balances	<u>\$ 7,192,010</u>	<u>\$ 7,540,621</u>	<u>\$ 7,739,358</u>	<u>\$ 6,692,689</u>	<u>\$ 6,740,794</u>

	2018	2019	2020	2021	2022
<b>Governmental activities</b>					
Net investment in capital assets	\$ 11,318,869	\$ 11,401,782	\$ 11,790,323	\$ 12,117,533	\$ 12,301,625
Restricted	4,554,212	5,238,284	4,595,067	5,780,723	6,170,812
Unrestricted	1,853,248	3,368,454	4,206,145	5,094,089	8,051,406
<b>Total governmental activities net position</b>	<b>\$ 17,726,329</b>	<b>\$ 20,008,520</b>	<b>\$ 20,591,535</b>	<b>\$ 22,992,345</b>	<b>\$ 26,523,843</b>
<b>Business-type activities</b>					
Net investment in capital assets	\$ 2,085	\$ 1,543	\$ 1,118	\$ 709	\$ 2,334
Restricted	1,471,069	1,554,235	1,618,334	930,162	1,086,882
Unrestricted	575,621	613,370	669,724	775,258	749,019
<b>Total business-type activities net position</b>	<b>\$ 2,048,775</b>	<b>\$ 2,169,148</b>	<b>\$ 2,289,176</b>	<b>\$ 1,706,129</b>	<b>\$ 1,838,235</b>
<b>Primary government</b>					
Net investment in capital assets	\$ 11,320,954	\$ 11,403,325	\$ 11,791,441	\$ 12,118,242	\$ 12,303,959
Restricted	6,025,281	6,792,519	6,213,401	6,710,885	7,257,694
Unrestricted	2,428,869	3,981,824	4,875,869	5,869,347	8,800,425
<b>Total primary government net position</b>	<b>\$ 19,775,104</b>	<b>\$ 22,177,668</b>	<b>\$ 22,880,711</b>	<b>\$ 24,698,474</b>	<b>\$ 28,362,078</b>

	2018	2019	2020	2021	2022
<b>General Fund</b>					
Nonspendable	\$ 77,093	\$ 106,736	\$ 119,268	\$ 88,921	\$ 90,058
Restricted	1,145,684	1,331,237	776,452	1,135,999	1,632,847
Committed	2,274,589	3,735,918	4,562,479	5,631,396	8,427,748
Assigned	-	-	-	-	-
Unassigned	112,912	201,560	14,668	92,662	262,790
<b>Total General Fund</b>	<b>\$ 3,610,278</b>	<b>\$ 5,375,451</b>	<b>\$ 5,472,867</b>	<b>\$ 6,948,978</b>	<b>\$ 10,413,443</b>
<b>All Other Governmental Funds</b>					
Nonspendable	\$ 3,625,586	\$ 3,785,281	\$ 3,697,597	\$ 3,977,413	\$ 3,990,478
Restricted	-	-	-	-	-
Committed	65,263	60,210	41,490	577,118	113,054
Assigned	41,789	61,556	79,528	78,460	155,318
Unassigned	-	-	-	-	-
<b>Total All Other Governmental Funds</b>	<b>\$ 3,732,638</b>	<b>\$ 3,907,047</b>	<b>\$ 3,818,615</b>	<b>\$ 4,632,991</b>	<b>\$ 4,258,850</b>
<b>Total All Governmental Fund Balances</b>	<b>\$ 7,342,916</b>	<b>\$ 9,282,498</b>	<b>\$ 9,291,482</b>	<b>\$ 11,581,969</b>	<b>\$ 14,672,293</b>



State of Oklahoma  
Changes in Net Position by Component  
Last Ten Fiscal Years  
(expressed in thousands)

	2013	2014	2015	2016	2017
<b>Expenses</b>					
<b>Governmental Activities:</b>					
Education-General	\$ 2,405,694	\$ 3,322,341	\$ 3,424,751	\$ 3,435,184	\$ 3,361,645
Education-Payment to Higher Education	2,003,101	1,037,785	1,030,060	942,707	889,389
Government Administration	1,866,501	1,830,570	1,114,539	2,114,501	1,870,606
Health Services	5,462,257	5,766,102	5,660,101	5,710,985	5,613,009
Legal and Judiciary	245,372	261,344	205,622	262,081	267,320
Museums	15,916	17,691	18,189	12,502	11,316
Natural Resources	353,243	264,233	288,333	290,366	318,494
Public Safety and Defense	820,506	863,080	787,751	859,395	895,929
Regulatory Services	129,206	131,756	153,511	193,245	97,804
Social Services	2,222,255	2,240,638	2,187,576	2,356,625	2,199,151
Transportation	941,132	1,043,522	1,086,603	1,109,349	1,128,688
Interest on Long-Term Debt	112,030	71,270	58,330	78,130	76,321
Governmental Activities	<u>\$ 16,577,213</u>	<u>\$ 16,850,332</u>	<u>\$ 16,015,366</u>	<u>\$ 17,365,070</u>	<u>\$ 16,729,672</u>
<b>Business-Type Activities:</b>					
Employment Security Commission	\$ 386,399	\$ 289,959	\$ 281,058	\$ 395,192	\$ 320,111
Water Resources Board	39,398	35,286	32,641	34,673	34,932
Office of Management and Enterprise Services	843,065	925,327	1,023,920	1,051,966	1,031,753
Lottery Commission	128,642	123,180	112,624	121,139	97,619
Business-Type Activities	<u>\$ 1,397,504</u>	<u>\$ 1,373,752</u>	<u>\$ 1,450,243</u>	<u>\$ 1,602,970</u>	<u>\$ 1,484,415</u>
Total Primary Government Expenses	<u>\$ 17,974,717</u>	<u>\$ 18,224,084</u>	<u>\$ 17,465,609</u>	<u>\$ 18,968,040</u>	<u>\$ 18,214,087</u>
<b>Program Revenues</b>					
<b>Governmental Activities:</b>					
Charges for Services:					
Government Administration	\$ 469,439	\$ 189,753	\$ 558,328	\$ 330,500	\$ 447,826
Health Services	472,502	557,041	544,828	625,906	633,940
Social Services	26,317	61,925	11,962	36,311	9,984
All Others	697,964	627,565	628,232	659,458	698,598
Total Charges for Services	<u>\$ 1,666,222</u>	<u>\$ 1,436,284</u>	<u>\$ 1,743,350</u>	<u>\$ 1,652,175</u>	<u>\$ 1,790,348</u>
Operating Grants and Contributions	6,939,234	7,326,805	6,744,975	6,785,553	7,131,617
Total Governmental Activities	<u>\$ 8,605,456</u>	<u>\$ 8,763,089</u>	<u>\$ 8,488,325</u>	<u>\$ 8,437,728</u>	<u>\$ 8,921,965</u>
<b>Business-Type Activities:</b>					
Charges for Services:					
Employment Security Commission	\$ 535,290	\$ 475,453	\$ 305,538	\$ 254,001	\$ 278,815
Water Resources Board	54,877	55,315	53,329	61,237	42,455
Office of Management and Enterprise Services	860,767	941,890	964,432	984,734	1,026,482
Lottery Commission	200,324	191,564	171,989	190,074	151,917
Total Charges for Services	<u>\$ 1,651,258</u>	<u>\$ 1,664,222</u>	<u>\$ 1,495,288</u>	<u>\$ 1,490,046</u>	<u>\$ 1,499,669</u>
Operating Grants and Contributions	138,918	37,901	10,935	8,302	9,031
Total Business-Type Activities	<u>\$ 1,790,176</u>	<u>\$ 1,702,123</u>	<u>\$ 1,506,223</u>	<u>\$ 1,498,348</u>	<u>\$ 1,508,700</u>
Total Primary Government Revenue	<u>\$ 10,396,260</u>	<u>\$ 10,465,028</u>	<u>\$ 9,997,863</u>	<u>\$ 9,936,752</u>	<u>\$ 10,430,665</u>
Net (Expense) Revenue:					
Governmental Activities	\$ (7,971,757)	\$ (8,087,243)	\$ (7,527,041)	\$ (8,927,342)	\$ (7,807,707)
Business-Type Activities	392,672	328,371	55,980	(104,622)	24,285
<b>Total Primary Government</b>	<u>\$ (7,579,085)</u>	<u>\$ (7,758,872)</u>	<u>\$ (7,471,061)</u>	<u>\$ (9,031,964)</u>	<u>\$ (7,783,422)</u>
<b>General Revenues</b>					
<b>Governmental Activities:</b>					
Taxes	\$ 8,342,838	\$ 8,691,182	\$ 8,612,118	\$ 8,232,688	\$ 8,131,948
Investment Earnings	68,601	59,298	60,007	60,792	53,157
Contributions to Permanent Funds	87,515	60,516	59,287	58,810	59,460
Special Item	615	-	(451)	-	-
Transfers	77,745	81,020	76,211	78,979	65,456
Total Governmental Activities	<u>\$ 8,577,314</u>	<u>\$ 8,892,016</u>	<u>\$ 8,807,172</u>	<u>\$ 8,431,269</u>	<u>\$ 8,310,021</u>
<b>Business-Type Activities:</b>					
Transfers	<u>\$ (77,745)</u>	<u>\$ (81,020)</u>	<u>\$ (76,211)</u>	<u>\$ (78,979)</u>	<u>\$ (65,456)</u>
Total Business-Type Activities	<u>\$ (77,745)</u>	<u>\$ (81,020)</u>	<u>\$ (76,211)</u>	<u>\$ (78,979)</u>	<u>\$ (65,456)</u>
Total General Revenues and Transfers	<u>\$ 8,499,569</u>	<u>\$ 8,810,996</u>	<u>\$ 8,730,961</u>	<u>\$ 8,352,290</u>	<u>\$ 8,244,565</u>
Change in Net Position (Governmental)	\$ 605,557	\$ 804,773	\$ 1,280,131	\$ (496,073)	\$ 502,314
Change in Net Position (Business-Type)	314,927	247,351	(20,231)	(183,601)	(41,171)
<b>Net Position - Beginning of Year (as restated)</b>	<u>16,977,473</u>	<u>17,879,823</u>	<u>17,979,226</u>	<u>19,082,638</u>	<u>18,405,937</u>
<b>Net Position - End of Year</b>	<u>\$ 17,897,957</u>	<u>\$ 18,931,947</u>	<u>\$ 19,239,126</u>	<u>\$ 18,402,964</u>	<u>\$ 18,867,080</u>

	2018	2019	2020	2021	2022
<b>Expenses</b>					
<b>Governmental Activities:</b>					
Education-General	\$ 3,507,277	\$ 4,009,839	\$ 4,368,484	\$ 4,469,781	\$ 5,326,122
Education-Payment to Higher Education	761,036	790,651	811,713	788,514	719,059
Government Administration	2,111,959	2,193,051	2,256,074	3,346,530	3,066,033
Health Services	5,603,631	5,965,780	6,246,163	6,815,817	8,505,243
Legal and Judiciary	252,845	254,928	281,942	279,033	279,600
Museums	11,281	12,914	14,492	14,757	14,773
Natural Resources	281,187	457,332	327,926	534,998	494,801
Public Safety and Defense	885,841	885,374	963,910	993,098	1,014,118
Regulatory Services	115,590	152,337	153,295	290,286	276,209
Social Services	2,137,520	2,180,094	2,451,123	3,275,560	3,940,643
Transportation	1,148,291	1,096,785	1,209,426	1,231,624	1,214,083
Interest on Long-Term Debt	56,493	58,197	61,262	60,531	63,984
Governmental Activities	<u>\$ 16,872,951</u>	<u>\$ 18,057,282</u>	<u>\$ 19,145,810</u>	<u>\$ 22,100,529</u>	<u>\$ 24,914,668</u>
<b>Business-Type Activities:</b>					
Employment Security Commission	\$ 250,465	\$ 225,242	\$ 2,323,744	\$ 4,048,298	\$ 446,339
Water Resources Board	37,489	41,106	46,636	40,730	1,144,627
Office of Management and Enterprise Services	1,051,302	1,089,343	1,073,135	1,043,144	271,734
Lottery Commission	161,388	174,641	204,300	268,492	45,838
Business-Type Activities	<u>\$ 1,500,644</u>	<u>\$ 1,530,332</u>	<u>\$ 3,647,815</u>	<u>\$ 5,400,664</u>	<u>\$ 1,908,538</u>
Total Primary Government Expenses	<u>\$ 18,373,595</u>	<u>\$ 19,587,614</u>	<u>\$ 22,793,625</u>	<u>\$ 27,501,193</u>	<u>\$ 26,823,206</u>
<b>Program Revenues</b>					
<b>Governmental Activities:</b>					
Charges for Services:					
Government Administration	\$ 350,687	\$ 442,407	\$ 328,246	\$ 441,143	\$ 491,124
Health Services	579,414	666,742	604,394	606,022	569,945
Social Services	72,277	35,236	62,066	27,614	35,363
All Others	766,977	951,162	850,446	889,256	822,042
Total Charges for Services	<u>\$ 1,769,355</u>	<u>\$ 2,095,547</u>	<u>\$ 1,845,152</u>	<u>\$ 1,964,035</u>	<u>\$ 1,918,474</u>
Operating Grants and Contributions	6,681,680	7,152,628	7,806,615	11,545,489	12,910,191
Total Governmental Activities	<u>\$ 8,451,035</u>	<u>\$ 9,248,175</u>	<u>\$ 9,651,767</u>	<u>\$ 13,509,524</u>	<u>\$ 14,828,665</u>
<b>Business-Type Activities:</b>					
Charges for Services:					
Employment Security Commission	\$ 285,454	\$ 285,617	\$ 266,405	\$ 497,588	\$ 378,769
Water Resources Board	47,802	74,888	67,240	59,746	1,105,811
Office of Management and Enterprise Services	1,083,430	1,099,660	1,128,164	1,133,241	351,063
Lottery Commission	221,643	242,592	268,482	347,500	65,223
Total Charges for Services	<u>\$ 1,638,329</u>	<u>\$ 1,702,757</u>	<u>\$ 1,730,291</u>	<u>\$ 2,038,075</u>	<u>\$ 1,900,866</u>
Operating Grants and Contributions	15,620	16,137	2,102,239	2,857,814	219,274
Total Business-Type Activities	<u>\$ 1,653,949</u>	<u>\$ 1,718,894</u>	<u>\$ 3,832,530</u>	<u>\$ 4,895,889</u>	<u>\$ 2,120,140</u>
Total Primary Government Revenue	<u>\$ 10,104,984</u>	<u>\$ 10,967,069</u>	<u>\$ 13,484,297</u>	<u>\$ 18,405,413</u>	<u>\$ 16,948,805</u>
Net (Expense) Revenue:					
Governmental Activities	\$ (8,421,916)	\$ (8,809,107)	\$ (9,494,043)	\$ (8,591,005)	\$ (10,086,003)
Business-Type Activities	153,305	188,562	184,715	(504,775)	211,602
Total Primary Government	<u>\$ (8,268,611)</u>	<u>\$ (8,620,545)</u>	<u>\$ (9,309,328)</u>	<u>\$ (9,095,780)</u>	<u>\$ (9,874,401)</u>
<b>General Revenues</b>					
<b>Governmental Activities:</b>					
Taxes	\$ 9,231,672	\$ 10,550,834	\$ 9,856,879	\$ 10,800,147	\$ 13,400,810
Investment Earnings	58,075	97,978	114,855	53,838	78,703
Contributions to Permanent Funds	54,765	54,269	54,564	61,349	61,212
Special Item	-	-	-	-	-
Transfers	63,001	67,556	64,687	78,272	79,496
Total Governmental Activities	<u>\$ 9,407,513</u>	<u>\$ 10,770,637</u>	<u>\$ 10,090,985</u>	<u>\$ 10,993,606</u>	<u>\$ 13,620,221</u>
<b>Business-Type Activities:</b>					
Transfers	\$ (63,001)	\$ (67,556)	\$ (64,687)	\$ (78,272)	\$ (79,496)
Total Business-Type Activities	<u>\$ (63,001)</u>	<u>\$ (67,556)</u>	<u>\$ (64,687)</u>	<u>\$ (78,272)</u>	<u>\$ (79,496)</u>
Total General Revenues and Transfers	<u>\$ 9,344,512</u>	<u>\$ 10,703,081</u>	<u>\$ 10,026,298</u>	<u>\$ 10,915,334</u>	<u>\$ 13,540,725</u>
Change in Net Position (Governmental)	\$ 985,597	\$ 1,961,530	\$ 596,942	\$ 2,402,601	\$ 3,534,218
Change in Net Position (Business-Type)	90,304	121,006	120,028	(583,047)	132,106
Net Position - Beginning of Year (as restated)	18,699,203	20,095,132	22,163,741	22,878,920	24,695,754
Net Position - End of Year	<u>\$ 19,775,104</u>	<u>\$ 22,177,668</u>	<u>\$ 22,880,711</u>	<u>\$ 24,698,474</u>	<u>\$ 28,362,078</u>

# State of Oklahoma

## Changes in Fund Balances - Governmental Funds

Last Ten Fiscal Years

(Modified accrual basis of accounting)

(expressed in thousands)

	2013	2014	2015	2016	2017
<b>Revenues</b>					
Taxes:					
Income Taxes-Individual	\$ 2,854,034	\$ 2,893,520	\$ 2,965,231	\$ 2,944,246	\$ 2,948,868
Income Taxes-Corporate	583,829	396,087	373,518	333,838	169,639
Sales Tax	2,523,139	2,599,078	2,553,978	2,481,242	2,460,238
Gross Production Taxes	512,875	666,825	543,656	326,608	412,898
Motor Vehicle Taxes	678,075	788,668	772,697	716,052	757,223
Fuel Taxes	403,641	420,105	424,048	432,607	432,780
Tobacco Taxes	270,682	248,623	252,978	257,813	254,935
Insurance Taxes	145,420	167,489	183,722	181,133	164,008
Beverage Taxes	105,145	109,390	112,718	116,246	118,449
Other Taxes	265,997	401,397	429,572	397,902	412,914
Licenses, Permits and Fees	626,597	672,008	695,364	682,750	711,014
Interest and Investment Revenue	509,424	692,697	318,679	254,610	655,229
Federal Grants	6,647,031	6,746,151	6,652,689	6,667,592	6,695,846
Sales and Services	174,523	200,086	180,315	212,169	222,086
Other	865,023	508,809	810,615	729,640	759,334
<b>Total Revenues</b>	<b>\$ 17,165,435</b>	<b>\$ 17,510,933</b>	<b>\$ 17,269,780</b>	<b>\$ 16,779,448</b>	<b>\$ 17,175,461</b>
<b>Expenditures</b>					
Education	\$ 4,406,724	\$ 4,359,511	\$ 4,459,227	\$ 4,373,024	\$ 4,247,212
Government Administration	1,857,921	2,204,090	1,522,733	1,699,571	1,935,755
Health Services	5,447,207	5,745,842	5,636,440	5,704,161	5,614,255
Legal and Judiciary	239,421	250,376	248,668	251,114	254,551
Museums	14,915	14,532	9,698	9,074	7,444
Natural Resources	337,867	246,556	273,081	281,530	295,638
Public Safety and Defense	768,059	798,173	786,197	826,716	837,157
Regulatory Services	122,354	128,460	150,864	191,627	95,621
Social Services	2,196,864	2,214,898	2,177,124	2,347,661	2,192,547
Transportation	212,248	225,768	203,021	237,427	203,290
Capital Outlay	1,104,103	894,684	1,451,605	1,764,073	1,575,479
Debt Service					
Principal Retirement	221,187	361,488	408,643	191,272	179,384
Interest and fiscal Charges	112,030	71,269	60,833	76,228	72,994
<b>Total Expenditures</b>	<b>\$ 17,040,900</b>	<b>\$ 17,515,647</b>	<b>\$ 17,388,134</b>	<b>\$ 17,953,478</b>	<b>\$ 17,511,327</b>
Revenues in Excess of (Less Than) Expenditures	\$ 124,535	\$ (4,714)	\$ (118,354)	\$ (1,174,030)	\$ (335,866)
<b>Other Financing Sources (Uses)</b>					
Transfers In	67,955	81,020	83,587	85,002	81,634
Transfers Out	-	-	(7,376)	(6,023)	(16,178)
Bonds Issued	22,795	235,505	189,250	39,535	265,665
Notes Issued	-	-	-	-	-
Refunding Bonds Issued	67,555	-	-	-	-
Bond Issue Premiums	8,099	25,679	18,398	5,276	39,067
Bond Issue Discounts	(121)	-	-	-	-
Capital Leases and Certificates of Participation	5,256	322	365	-	440
Sale of Capital Assets	11,928	10,798	87,267	14,451	13,343
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 183,467</b>	<b>\$ 353,324</b>	<b>\$ 371,491</b>	<b>\$ 138,241</b>	<b>\$ 383,971</b>
<b>Net Changes in Fund Balances</b>	<b>\$ 308,002</b>	<b>\$ 348,610</b>	<b>\$ 253,137</b>	<b>\$ (1,035,789)</b>	<b>\$ 48,105</b>
Fund Balances - Beginning of Year (as restated)	6,884,008	7,192,011	7,486,221	7,728,478	6,692,689
Fund Balances - End of Year	<u>\$ 7,192,010</u>	<u>\$ 7,540,621</u>	<u>\$ 7,739,358</u>	<u>\$ 6,692,689</u>	<u>\$ 6,740,794</u>
Debt Service as a Percentage of Noncapital Expenditures	2.1%	2.6%	2.9%	1.7%	1.6%

	2018	2019	2020	2021	2022
<b>Revenues</b>					
Taxes:					
Income Taxes-Individual	\$ 3,240,777	\$ 3,469,633	\$ 3,369,765	\$ 3,573,364	\$ 4,235,500
Income Taxes-Corporate	251,163	312,862	221,699	456,186	902,865
Sales Tax	2,823,427	3,076,488	2,977,345	3,158,947	3,550,107
Gross Production Taxes	596,196	1,037,656	620,205	864,090	1,736,288
Motor Vehicle Taxes	868,042	887,074	935,103	889,607	968,429
Fuel Taxes	441,978	539,150	492,155	504,101	569,442
Tobacco Taxes	261,234	360,886	402,268	460,757	460,625
Insurance Taxes	181,614	176,198	172,060	177,539	188,471
Beverage Taxes	122,541	139,737	137,382	150,000	169,935
Other Taxes	444,700	453,214	445,347	549,083	611,065
Licenses, Permits and Fees	780,649	808,705	822,181	855,592	982,070
Interest and Investment Revenue	435,657	496,851	221,631	1,097,293	(75,921)
Federal Grants	6,440,084	6,811,030	7,695,068	10,586,296	13,282,831
Sales and Services	217,647	236,892	242,319	269,563	223,266
Other	700,142	977,713	756,848	784,900	669,242
<b>Total Revenues</b>	<b>\$ 17,805,851</b>	<b>\$ 19,784,089</b>	<b>\$ 19,511,376</b>	<b>\$ 24,377,318</b>	<b>\$ 28,474,215</b>
<b>Expenditures</b>					
Education	\$ 4,262,822	\$ 4,799,146	\$ 5,173,956	\$ 5,236,883	\$ 6,047,921
Government Administration	1,981,752	2,043,121	2,158,980	2,945,409	3,190,425
Health Services	5,595,980	5,954,945	6,190,644	6,788,138	8,477,738
Legal and Judiciary	255,739	263,275	270,298	273,784	295,814
Museums	7,650	12,553	12,997	13,199	13,775
Natural Resources	252,484	449,324	298,966	498,354	463,591
Public Safety and Defense	838,098	833,423	901,917	908,312	970,175
Regulatory Services	114,355	150,625	147,474	286,465	277,123
Social Services	2,145,461	2,179,379	2,454,286	3,281,031	3,941,632
Transportation	215,428	233,357	247,456	231,180	417,180
Capital Outlay	1,506,734	1,400,527	1,620,009	1,814,851	1,489,377
Debt Service					
Principal Retirement	140,272	157,460	215,446	122,507	141,899
Interest and fiscal Charges	59,145	53,036	61,517	58,380	64,270
<b>Total Expenditures</b>	<b>\$ 17,375,920</b>	<b>\$ 18,530,171</b>	<b>\$ 19,753,946</b>	<b>\$ 22,458,493</b>	<b>\$ 25,790,920</b>
Revenues in Excess of (Less Than) Expenditures	\$ 429,931	\$ 1,253,918	\$ (242,570)	\$ 1,918,825	\$ 2,683,295
<b>Other Financing Sources (Uses)</b>					
Transfers In	78,997	90,891	98,455	96,401	93,457
Transfers Out	(15,996)	(23,335)	(33,768)	(18,129)	(13,961)
Bonds Issued	27,215	268,105	167,425	231,930	263,360
Notes Issued	61,505	-	-	-	56,802
Refunding Bonds Issued	-	-	-	22,135	-
Bond Issue Premiums	10,023	23,381	27,651	33,499	-
Bond Issue Discounts	-	-	-	-	-
Capital Leases and Certificates of Participation	-	-	-	-	10,702
Sale of Capital Assets	10,447	23,870	10,324	5,826	19,330
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 172,191</b>	<b>\$ 382,912</b>	<b>\$ 270,087</b>	<b>\$ 371,662</b>	<b>\$ 429,690</b>
<b>Net Changes in Fund Balances</b>	<b>\$ 602,122</b>	<b>\$ 1,636,830</b>	<b>\$ 27,517</b>	<b>\$ 2,290,487</b>	<b>\$ 3,112,985</b>
Fund Balances - Beginning of Year (as restated)	6,740,794	7,645,668	9,263,965	9,291,482	11,559,308
Fund Balances - End of Year	<u>\$ 7,342,916</u>	<u>\$ 9,282,498</u>	<u>\$ 9,291,482</u>	<u>\$ 11,581,969</u>	<u>\$ 14,672,293</u>
Debt Service as a Percentage of Noncapital Expenditures	1.3%	1.2%	1.5%	0.9%	0.8%

State of Oklahoma  
 Personal Income by Industry  
 Last Ten Years  
 (expressed in millions)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Total Personal Income</b>	\$ 154,958	\$ 161,188	\$ 167,292	\$ 178,250	\$ 179,238	\$ 170,791	\$ 182,302	\$ 187,327	\$ 198,552	\$214,760
Farm Earnings	1,253	1,128	1,303	2,043	1,390	949	672	1,300	1,437	1,230
Nonfarm Earnings	108,094	113,571	118,038	126,040	126,433	117,485	125,858	127,887	127,915	135,604
<b>Private Earnings</b>	<b>87,058</b>	<b>92,367</b>	<b>96,706</b>	<b>103,580</b>	<b>103,347</b>	<b>94,363</b>	<b>102,252</b>	<b>103,000</b>	<b>102,256</b>	<b>109,469</b>
Forestry, Fishing & Agriculture	244	268	357	229	255	275	273	258	266	273
Mining, Oil & Natural Gas Extraction	14,809	14,736	15,626	13,859	11,878	8,100	10,625	9,587	10,243	10,204
Utilities	1,537	1,573	2,044	1,637	1,648	1,526	1,502	1,742	1,485	1,458
Construction	6,381	7,296	7,509	7,767	7,964	7,348	7,612	7,719	7,728	8,170
Manufacturing - Durable	6,486	6,725	7,108	7,311	6,885	6,749	7,747	7,865	7,383	7,365
Manufacturing - Nondurable	3,500	3,839	3,915	3,147	3,255	3,014	3,969	4,283	3,896	3,916
Wholesale Trade	4,298	4,559	4,839	4,844	4,763	4,875	4,671	4,764	4,673	4,870
Retail Trade	7,080	7,329	7,603	7,253	7,450	7,147	7,107	7,271	7,861	8,774
Transportation and Warehousing	4,316	5,739	5,893	14,222	14,538	11,522	12,333	11,303	9,770	10,721
Services	38,407	40,303	41,812	43,311	44,711	43,807	46,413	48,208	48,951	53,719
<b>Government</b>	<b>21,036</b>	<b>21,204</b>	<b>21,332</b>	<b>22,460</b>	<b>23,086</b>	<b>23,122</b>	<b>23,606</b>	<b>24,887</b>	<b>25,659</b>	<b>26,135</b>
Federal, civilian	4,409	4,277	4,308	4,582	4,786	4,921	5,104	5,240	5,496	5,653
Military	2,438	2,355	2,216	2,171	2,195	2,228	2,320	2,449	2,638	2,777
State and Local	14,189	14,572	14,808	15,707	16,105	15,973	16,182	17,198	17,525	17,705
Highest Personal Income Tax Rate	5.25%	5.25%	5.25%	5.25%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Corporate Income Tax Rate	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%

Source: U. S. Department of Commerce, Bureau of Economic Analysis, and the Oklahoma Tax Commission.  
 Data is the latest available at time of printing.

State of Oklahoma  
 Personal Income Tax Filers and Liability by Adjusted Gross Income  
 Calendar (Tax) Years 2021 and 2012

Calendar Year 2021				
<u>Adjusted Gross Income Level</u>	<u>Number of Filers</u>	<u>Percentage of Total</u>	<u>Personal Income Tax Liability</u>	<u>Percentage of Total</u>
\$100,001 and higher	339,223	18%	\$2,392,525,488	64%
\$75,001 - \$100,000	149,413	8%	422,917,650	11%
\$50,001 - \$75,000	244,742	13%	463,204,716	12%
\$25,001 - \$50,000	456,734	25%	417,966,595	11%
\$10,001 - \$25,000	366,246	20%	71,194,935	2%
\$10,000 and lower	301,218	16%	424,652	0%
Total	1,857,576	100%	\$3,768,234,036	100%

Calendar Year 2012				
<u>Adjusted Gross Income Level</u>	<u>Number of Filers</u>	<u>Percentage of Total</u>	<u>Personal Income Tax Liability</u>	<u>Percentage of Total</u>
\$100,001 and higher	231,677	12%	\$1,681,855,215	58%
\$75,001 - \$100,000	133,217	8%	372,580,693	13%
\$50,001 - \$75,000	224,226	13%	414,883,301	14%
\$25,001 - \$50,000	427,901	24%	368,870,428	13%
\$10,001 - \$25,000	416,072	24%	72,605,652	2%
\$10,000 and lower	325,900	19%	727,168	0%
Total	1,758,993	100%	\$2,911,522,457	100%

Source: Oklahoma Tax Commission

State of Oklahoma  
Tax Collections  
Last Ten Fiscal Years

Taxes	2013	2014	2015	2016	2017
Aircraft Excise Tax	\$ 4,910,204	\$ 4,074,978	\$ 3,243,398	\$ 4,828,624	\$ 5,391,211
Alcoholic Beverage Excise Tax	25,553,610	26,372,098	26,987,301	26,646,189	28,106,231
Beverage Tax	24,653,353	23,896,702	23,283,684	22,887,790	22,331,800
Bingo Tax	127,801	105,890	80,475	61,400	29,185
Business Activity Tax	45,051,074	33,395,208	816,420	107,215	33,469
Charity Games Tax	42,535	34,835	37,195	18,534	13,514
Cigarette Tax	210,231,001	195,926,775	197,553,535	198,606,624	185,771,745
City Use Tax - Collect/Deposit	1,229,331	1,313,014	1,356,836	658,449	694,396
Coin Operated Device Decal	4,191,200	3,602,660	3,794,511	3,719,626	3,585,473
Controlled Dangerous Substance Tax	57,556	72,283	63,393	55,753	42,755
County Tax (Use & Lodging)	314,817	357,102	372,177	181,421	161,073
Diesel Fuel Excise Tax	73,785,574	80,309,870	79,234,208	68,837,914	80,680,616
Documentary Stamp Tax	15,282,903	15,763,766	18,191,408	18,008,889	19,078,660
Farm Implement Tax Stamps	10,818	11,611	11,697	10,666	7,886
Franchise Tax	540,824	1,126,420	56,540,151	56,198,494	52,175,517
Freight Car Tax	717,516	837,888	826,793	850,181	797,132
Gaming Exclusivity Fees	129,286,255	123,376,190	128,443,759	134,390,332	135,437,136
Gasoline Excise Tax	203,403,445	202,091,479	207,370,800	214,758,884	204,215,392
Gross Production Tax - Oil and Gas	373,494,633	477,781,300	401,619,064	196,635,110	270,569,184
Horse Track Gaming	20,483,704	20,615,037	20,592,150	20,890,153	20,738,589
Income Tax (Individual)	2,844,880,206	2,835,207,273	3,152,729,993	2,941,832,022	2,881,519,924
Income Tax (Corporate)	594,181,209	408,109,649	375,873,186	371,445,751	167,149,379
Inheritance and Estate Tax	135,523	873,332	1,056,925	126,278	256,834
Insurance Premium Tax	213,675,180	223,090,507	244,415,684	257,217,612	243,245,651
Medical Marijuana Excise Tax	-	-	-	-	-
Mixed Beverage Gross Receipts Tax	43,357,002	46,127,916	50,193,262	52,872,099	54,204,358
Occupational Health and Safety Tax	2,681,651	2,597,953	2,171,916	2,280,573	1,615,273
Pari-Mutuel Taxes	1,287,912	1,168,333	1,163,885	1,068,502	1,085,121
Pari-Mutuel - Other Tax	9,352	6,961	6,028	24,116	8,318
Petroleum Excise Tax	12,450,983	16,135,417	14,152,206	8,148,238	11,897,143
Rural Electric Co-operative Tax	1,842,173	2,055,243	2,214,029	2,031,514	2,048,871
Sales Tax	2,275,444,163	2,335,326,717	2,424,380,716	2,268,723,336	2,192,792,253
Sales Tax - City	15,541,756	14,952,187	16,725,211	8,964,736	8,283,457
Sales Tax - County	3,374,051	3,328,337	3,800,593	1,919,312	1,632,995
Special Fuel Decal	460,204	450,950	351,812	159,254	930,292
Special Fuel Use Tax	1,421,676	1,485,281	1,534,694	1,541,979	1,068,339
Tag Agent Remittance Tax	330,838,092	388,643,946	376,730,773	385,676,774	391,613,483
Telephone Surcharge	719,897	634,760	570,979	493,779	403,749
Tobacco Products Tax	37,643,515	40,243,152	44,462,393	47,592,850	50,725,702
Tribal Compact in Lieu of Tax Payments	43,741,973	31,908,905	27,372,341	28,901,523	30,894,381
Unclaimed Property Assessment	10,575,619	10,235,907	9,433,401	10,200,000	11,033,333
Unclassified Tax Receipts	49,413	43	436,149	209,126	5,884
Use Tax	221,082,285	237,162,483	240,423,735	208,492,766	219,582,282
Vehicle Revenue Tax Stamps	51,598	47,408	46,974	47,338	45,594
Workers' Compensation Awards - Assessments	34,801,759	55,465,606	63,469,440	57,157,971	48,609,051
Workers' Compensation Insurance Premium Tax	9,949,807	10,210,365	9,789,096	9,129,743	6,500,000
Other Taxes	28,001,415	32,368,659	37,118,891	33,803,335	35,231,845
<b>Total</b>	<b>\$7,861,566,568</b>	<b>\$7,908,902,396</b>	<b>\$8,271,043,267</b>	<b>\$7,668,412,775</b>	<b>\$7,392,244,476</b>

Prepared using cash basis to aid in budgetary analysis.  
Source: Oklahoma Tax Commission as adjusted.

Taxes	2018	2019	2020	2021	2022
Aircraft Excise Tax	\$ 4,053,797	\$ 3,829,965	\$ 3,794,099	\$ 3,956,302	\$ 4,314,784
Alcoholic Beverage Excise Tax	28,556,548	36,983,470	44,835,030	49,101,359	49,829,374
Beverage Tax	21,877,356	9,072,758	-	-	-
Bingo Tax	101,233	66,773	44,609	37,217	38,507
Business Activity Tax	20,356	5,816	3,071	1,862	962
Charity Games Tax	17,394	10,673	10,906	12,589	14,112
Cigarette Tax	197,801,584	246,346,627	291,607,978	289,985,598	274,053,287
City Use Tax - Collect/Deposit	899,474	1,185,318	1,340,884	1,601,910	1,825,019
Coin Operated Device Decal	3,557,522	3,384,094	2,844,719	3,315,444	2,173,634
Controlled Dangerous Substance Tax	45,251	52,406	30,856	37,248	53,328
County Tax (Use & Lodging)	178,659	254,255	275,990	316,355	366,925
Diesel Fuel Excise Tax	83,928,077	128,861,400	134,645,265	118,817,071	138,947,335
Documentary Stamp Tax	21,022,186	21,555,093	21,995,939	26,411,147	36,553,243
Farm Implement Tax Stamps	8,177	9,225	10,657	9,872	9,907
Franchise Tax	59,063,475	57,322,320	52,706,327	53,492,108	64,190,096
Freight Car Tax	1,016,667	1,081,051	1,049,614	892,984	1,028,872
Gaming Exclusivity Fees	139,811,191	148,309,097	133,807,934	148,521,291	191,164,227
Gasoline Excise Tax	213,150,162	263,009,336	263,346,685	257,583,614	270,841,299
Gross Production Tax - Oil and Gas	480,533,689	858,159,342	678,981,057	522,603,697	1,152,159,709
Horse Track Gaming	25,459,166	28,358,978	26,307,770	20,491,172	30,608,586
Income Tax (Individual)	3,207,252,928	3,497,148,830	3,315,561,478	3,546,938,689	4,162,982,956
Income Tax (Corporate)	233,637,308	316,809,235	344,452,299	479,125,341	861,113,166
Inheritance and Estate Tax	176,713	-	-	-	-
Insurance Premium Tax	280,967,940	271,859,078	290,845,768	282,508,335	301,571,331
Medical Marijuana Excise Tax	-	4,648,134	39,063,301	65,618,066	61,444,355
Mixed Beverage Gross Receipts Tax	57,325,035	71,952,273	74,148,353	68,698,434	95,240,936
Occupational Health and Safety Tax	1,590,164	1,336,057	1,260,132	1,339,054	1,062,183
Pari-Mutuel Taxes	1,105,126	1,030,908	1,260,912	1,296,002	1,122,143
Pari-Mutuel - Other Tax	10,119	8,654	9,242	5,327	10,341
Petroleum Excise Tax	15,825,493	19,884,698	15,062,434	11,379,743	22,340,491
Rural Electric Co-operative Tax	2,163,108	2,321,431	2,307,049	2,315,690	2,655,662
Sales Tax	2,511,931,524	2,667,670,936	2,530,660,596	2,590,610,231	2,948,019,421
Sales Tax - City	8,903,019	9,347,469	9,308,745	9,872,578	11,095,933
Sales Tax - County	1,602,075	1,696,214	1,596,107	1,613,817	1,848,037
Special Fuel Decal	760,693	1,763,447	892,110	616,014	724,681
Special Fuel Use Tax	1,175,495	1,547,063	1,494,373	1,390,146	1,515,864
Tag Agent Remittance Tax	404,913,340	415,230,477	412,766,236	380,551,556	424,956,336
Telephone Surcharge	288,787	565,043	272,190	32,210	319,074
Tobacco Products Tax	52,835,101	56,054,853	57,622,723	63,466,721	62,326,248
Tribal Compact in Lieu of Tax Payments	38,587,904	56,755,231	59,239,982	58,757,811	56,827,826
Unclaimed Property Assessment	9,366,667	9,366,667	10,200,000	11,033,333	7,700,000
Unclassified Tax Receipts	46,065	522,069	-	94,833	-
Use Tax	276,137,946	375,238,267	409,580,822	467,578,147	526,207,540
Vehicle Revenue Tax Stamps	46,494	47,278	46,462	49,105	44,991
Workers' Compensation Awards - Assessments	49,240,983	47,490,599	41,611,770	28,911,724	52,688,080
Workers' Compensation Insurance Premium Tax	6,500,000	6,000,000	5,750,000	4,000,000	5,750,000
Other Taxes	35,434,656	39,398,595	42,153,143	47,157,754	52,134,575
<b>Total</b>	<b>\$8,478,926,647</b>	<b>\$9,683,551,503</b>	<b>\$9,324,805,616</b>	<b>\$9,622,149,501</b>	<b>\$11,879,875,376</b>



State of Oklahoma  
 Percentage of Annual Debt Service Expenditures for General Bonded Debt to Total  
 Expenditures  
 Governmental Funds  
 For Last Ten Fiscal Years  
 (expressed in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt Service										
Principal										
Retirement	\$ 221,187	\$ 361,488	\$ 408,643	\$ 191,272	\$ 179,384	\$ 140,272	\$ 157,460	\$ 215,446	\$ 122,507	\$ 141,899
Interest and										
Fiscal Charges	112,030	71,269	60,833	76,228	72,994	59,145	53,036	61,517	58,380	64,270
<b>Total Debt Service</b>	<b>\$ 333,217</b>	<b>\$ 432,757</b>	<b>\$ 469,476</b>	<b>\$ 267,500</b>	<b>\$ 252,378</b>	<b>\$ 199,417</b>	<b>\$ 210,496</b>	<b>\$ 276,963</b>	<b>\$ 180,887</b>	<b>\$ 206,169</b>
<b>Total</b>										
<b>Expenditures</b>	\$ 15,936,797	\$ 16,620,964	\$ 15,936,529	\$ 16,189,405	\$ 15,935,848	\$ 15,869,186	\$ 17,129,644	\$ 18,133,937	\$ 20,643,642	\$ 24,176,716
<b>Ratio</b>	2.091%	2.604%	2.946%	1.652%	1.584%	1.257%	1.229%	1.527%	0.876%	0.853%

State of Oklahoma  
 Ratios of Outstanding Debt by Type  
 Primary Government  
 Last Ten Fiscal Years  
 (expressed in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Governmental Activities Debt:</b>										
General Obligation Bonds	\$ 136,585	\$ 131,955	\$ 107,395	\$ 82,100	\$ 55,875	\$ 28,530	\$ -	\$ -	\$ -	\$ -
General Obligation Bonds as a										
Percentage of General Revenue <sup>a</sup>	1.59%	1.49%	1.21%	0.97%	0.67%	0.30%	0.00%	0.00%	0.00%	0.00%
Per Capita (actual-not in thousands) <sup>b</sup>	\$ 36	\$ 34	\$ 28	\$ 21	\$ 14	\$ 7	\$ -	\$ -	\$ -	\$ -
Revenue bonds	1,353,449	1,255,988	1,283,082	1,157,304	1,311,850	1,233,266	1,391,031	1,361,390	1,515,942	1,671,282
Notes Payable	194,560	173,985	47,245	30,520	16,575	69,995	61,505	59,360	56,330	109,952
Capital Leases	10,712	8,271	6,526	4,202	2,740	1,362	544	78	-	-
Total Governmental Activities	<u>\$ 1,695,306</u>	<u>\$ 1,570,199</u>	<u>\$ 1,444,248</u>	<u>\$ 1,274,126</u>	<u>\$ 1,387,040</u>	<u>\$ 1,333,153</u>	<u>\$ 1,453,080</u>	<u>\$ 1,420,828</u>	<u>\$ 1,572,272</u>	<u>\$ 1,781,234</u>
<b>Business-Type Activities Debt:</b>										
Revenue Bonds	<u>\$ 931,413</u>	<u>\$ 801,159</u>	<u>\$ 778,800</u>	<u>\$ 867,324</u>	<u>\$ 854,028</u>	<u>\$ 904,908</u>	<u>\$ 1,002,415</u>	<u>\$ 903,998</u>	<u>\$ 1,201,880</u>	<u>\$ 1,486,655</u>
Total Business-Type Activities	<u>\$ 931,413</u>	<u>\$ 801,159</u>	<u>\$ 778,800</u>	<u>\$ 867,324</u>	<u>\$ 854,028</u>	<u>\$ 904,908</u>	<u>\$ 1,002,415</u>	<u>\$ 903,998</u>	<u>\$ 1,201,880</u>	<u>\$ 1,486,655</u>
Total Primary Government	<u>\$ 2,626,719</u>	<u>\$ 2,371,358</u>	<u>\$ 2,223,048</u>	<u>\$ 2,141,450</u>	<u>\$ 2,241,068</u>	<u>\$ 2,238,061</u>	<u>\$ 2,455,495</u>	<u>\$ 2,324,826</u>	<u>\$ 2,774,152</u>	<u>\$ 3,267,889</u>
Total Primary Government Debt as a										
Percentage of Personal Income <sup>c</sup>	1.68%	1.46%	1.32%	1.20%	1.34%	1.31%	1.35%	1.24%	1.40%	1.52%
Per Capita (actual-not in thousands) <sup>b</sup>	\$ 684	\$ 618	\$ 569	\$ 543	\$ 569	\$ 568	\$ 621	\$ 585	\$ 693	\$ 819

a - General Revenue values can be found in the Changes in Net Position statistics schedule.

b - Population data can be found in the Demographic and Economic Statistics schedule. The amount for the current year is estimated. Population data for the current year was unavailable at printing.

c - Debt by Type information can be found in the notes to the financial statements. The percentage for the current year is estimated. Current year personal income data was unavailable at printing.

State of Oklahoma  
Revenue Bond Coverage  
Enterprise Fund and Component Units  
For the Last Ten Fiscal Years  
(expressed in thousands)

	<u>Fiscal Year Ended</u>	<u>Gross Revenues (1)</u>	<u>Operating Expenses (2)</u>	<u>Net Revenues for Debt Service</u>	<u>Debt Service Requirements</u>	<u>Debt Serv. Coverage</u>
<b>COMPONENT UNITS:</b>						
<b>Oklahoma Student Loan Authority</b>	2022	\$ 25,855	\$ 20,704	\$ 5,151	\$ -	-
(June 30 year end)	2021	20,587	16,433	4,154	1,453	2.86
	2020	21,248	16,407	4,841	3,485	1.39
	2019	21,509	12,486	9,023	5,110	1.77
	2018	19,324	12,961	6,363	4,932	1.29
	2017	14,981	10,734	4,247	4,181	1.02
	2016	12,890	9,488	3,402	4,010	0.85
	2015	12,614	9,552	3,062	4,323	0.71
	2014	14,229	9,720	4,509	5,251	0.86
	2013	19,195	9,319	9,876	7,002	1.41
<b>Oklahoma Housing Finance Agency</b>	2021	\$ 30,079	\$ 15,472	\$ 14,607	\$ 11,310	1.29
(September 30 year end)	2020	39,034	13,880	25,154	14,253	1.76
	2019	37,084	13,925	23,159	25,880	0.89
	2018	13,765	12,164	1,601	11,423	0.14
	2017	16,080	12,149	3,931	14,160	0.28
	2016	31,793	11,914	19,879	18,524	1.07
	2015	35,347	12,395	22,952	25,043	0.92
	2014	39,286	15,461	23,825	41,461	0.57
	2013	18,003	19,773	(1,770)	115,088	-0.02
	2012	47,532	14,855	32,678	88,459	0.37
<b>Oklahoma Turnpike Authority</b>	2021	\$ 380,586	\$ 118,289	\$ 262,297	\$ 80,675	3.25
(December 31 year end)	2020	360,708	123,025	237,683	109,627	2.17
	2019	374,572	114,533	260,039	136,825	1.90
	2018	343,609	105,857	237,752	96,111	2.47
	2017	318,082	101,888	216,194	90,346	2.39
	2016	278,200	93,972	184,228	93,246	1.98
	2015	263,317	85,532	177,785	94,634	1.88
	2014	257,863	82,048	175,815	108,314	1.62
	2013	242,226	81,593	160,633	91,893	1.75
	2012	241,379	86,706	154,674	101,570	1.52
<b>Grand River Dam Authority</b>	2021	\$ 574,726	\$ 404,373	\$ 170,353	\$ 85,061	2.00
(December 31 year end)	2020	415,101	275,796	139,305	85,178	1.64
	2019	444,096	278,935	165,161	75,502	2.19
	2018	441,177	290,887	150,290	64,871	2.32
	2017	445,125	322,537	122,588	75,601	1.62
	2016	441,662	300,547	141,115	74,787	1.89
	2015	425,083	229,863	195,220	75,542	2.58
	2014	485,012	307,941	177,071	79,109	2.24
	2013	432,799	251,386	181,413	134,919	1.34
	2012	423,614	272,188	151,425	135,799	1.12

	Fiscal Year Ended	Gross Revenues (1)	Operating Expenses (2)	Net Revenues for Debt Service	Debt Service Requirements	Debt Serv. Coverage
<b>Oklahoma Municipal Power Authority</b>	2021	\$ 191,981	\$ 138,202	\$ 53,779	\$ 47,070	1.14
(December 31 year end)	2020	172,378	119,556	52,822	49,840	1.06
	2019	188,435	128,810	59,625	50,208	1.19
	2018	192,733	136,649	56,084	51,832	1.08
	2017	188,903	132,271	56,632	52,010	1.09
	2016	186,775	131,533	55,242	50,392	1.10
	2015	185,981	132,151	53,830	45,125	1.19
	2014	192,273	136,025	56,248	49,563	1.13
	2013	179,321	135,198	44,123	39,685	1.11
	2012	175,506	124,308	51,198	43,857	1.17
<b>Higher Education</b>	2022	\$ 5,228,385	\$ 4,632,607	\$ 595,778	\$ 143,728	4.15
(June 30 year end)	2021	6,413,308	4,544,083	1,869,225	297,521	6.28
	2020	5,506,178	4,561,979	944,197	443,894	2.13
	2019	5,336,055	4,445,789	890,266	164,939	5.40
	2018	5,195,741	4,480,202	715,539	183,513	3.90
	2017	5,138,290	4,432,737	705,553	251,231	2.81
	2016	4,762,338	4,308,023	454,315	291,597	1.56
	2015	4,843,892	4,122,226	721,666	113,085	6.38
	2014	5,015,949	4,107,758	908,191	274,979	3.30
	2013	5,953,195	3,944,790	2,008,405	147,220	13.64
<b>ENTERPRISE FUND:</b>						
<b>Oklahoma Water Resources Board</b>	2022	\$ 33,662	\$ 1,137	\$ 32,525	\$ 45,645	0.71
(June 30 year end)	2021	30,247	1,647	28,600	100,078	0.29
	2020	26,836	9,680	17,156	38,944	0.44
	2019	25,754	781	24,973	39,446	0.63
	2018	21,604	641	20,963	56,558	0.37
	2017	20,714	645	20,069	76,004	0.26
	2016	22,601	1,460	21,141	40,318	0.52
	2015	20,918	766	20,152	42,672	0.47
	2014	20,600	1,287	19,313	50,395	0.38
	2013	20,128	1,427	18,701	56,376	0.33

(1) Gross revenues including interest and investment income, but excluding revenues restricted to other debt.

(2) Operating expenses, exclusive of depreciation and operating interest (where applicable)

- Revenue bond coverage is not intended to portray compliance with bond indenture agreements.

- Debt service requirements do not include one-time debt service payments from refunding bonds.

State of Oklahoma  
 Major Employers by Size  
 Non-Government  
 For years 2011 and 2020

Non-Governmental Major Employers 2012	Non-Governmental Major Employers 2021	Employment 2021	Percentage of Total State Employment 2021
Wal-Mart Stores, Inc.	Wal-Mart Associates Inc.	38,500	2.16%
Integrus Health	Amazon	11,000	0.62%
American Airlines	Integrus Health, Inc.	9,600	0.54%
Saint Francis Hospital	Hobby Lobby Stores Inc.	7,700	0.43%
Saint John Medical Center	Chickasaw Nation	6,800	0.38%
W. H. Braum, Inc.	Saint Francis Hospital Inc.	6,400	0.36%
Chesapeake Energy Corporation	Mercy Health	5,900	0.33%
Hobby Lobby Stores	Braum's Inc.	5,600	0.31%
Express Employment Professionals	Choctaw Nation of OK	5,100	0.29%
AT&T/ Southwestern Bell	American Airlines	5,000	0.28%

Source: Oklahoma Department of Commerce

Note: The information above is compiled by the Department of Commerce and is the latest available at the date of publication.

State of Oklahoma  
 Demographic and Economic Statistics  
 Last Ten Fiscal Years

Year	Population <sup>a</sup> (in thousands)				Personal Income <sup>a</sup>	Per Capita Personal Income <sup>a</sup>			Civilian Labor Force <sup>b</sup>		
	U. S.	Change from Prior Period	State of Oklahoma	Change from Prior Period	State of Oklahoma	U. S.	State of Oklahoma	Oklahoma as a Percentage of U.S.	Employed	Unemployed	Unemployment Rate
2012	313,914	0.75%	3,815	0.61%	154,958	43,735	40,620	92.88%	1,709,000	94,000	5.2%
2013	316,129	0.71%	3,851	0.94%	161,188	44,765	41,861	93.51%	1,718,000	99,000	5.4%
2014	318,857	0.86%	3,878	0.70%	167,292	46,129	43,138	93.52%	1,704,000	80,000	4.5%
2015	321,419	0.80%	3,911	0.85%	178,250	48,112	45,573	94.72%	1,764,000	78,000	4.2%
2016	323,128	0.53%	3,924	0.33%	167,503	49,246	42,692	86.69%	1,739,000	89,000	4.9%
2017	325,719	0.80%	3,931	0.18%	170,791	50,392	43,449	86.22%	1,756,000	79,000	4.3%
2018	327,167	0.44%	3,943	0.31%	182,302	54,446	46,233	84.92%	1,779,000	63,000	3.4%
2019	328,240	0.33%	3,957	0.36%	187,328	56,490	47,341	83.80%	1,781,000	61,000	3.3%
2020	329,484	0.38%	3,981	0.61%	198,552	59,510	49,878	83.81%	1,735,000	113,000	6.1%
2021	331,894	0.73%	3,987	0.15%	214,761	64,143	53,870	83.98%	1,783,080	71,154	3.8%

*a - source U.S. Bureau of Economic Analysis as adjusted.  
 b - source Oklahoma Employment Security Commission.*

# State of Oklahoma

## School Enrollments

### Last Ten Fiscal Years

<u>Public School Enrollments:</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Early Childhood	37,929	40,121	40,129	39,474	36,377	36,679	36,790	37,212	32,268	33,029
Kindergarten	52,339	54,649	55,127	53,453	49,620	49,334	50,039	50,299	48,065	48,957
Elementary School	252,235	266,499	257,154	248,631	251,280	249,922	247,719	246,294	241,409	241,071
Junior High/Middle School	130,505	141,539	123,812	142,131	140,895	141,909	145,575	151,095	152,194	151,679
Senior High School	173,193	154,144	184,074	187,031	188,966	190,312	192,690	193,470	195,962	199,639
No-High School Districts (Grades 1-8)	23,549	17,215	24,151	18,179	22,637	22,644	21,652	21,689	20,293	20,581
Special Education (Early Childhood)	1,535	1,542	2,070	2,169	2,274	2,418	2,646	2,193	2,748	2,749
Out-of-Home Placements	<u>1,905</u>	<u>1,616</u>	<u>1,783</u>	<u>1,602</u>	<u>1,661</u>	<u>1,598</u>	<u>1,475</u>	<u>1,398</u>	<u>1,174</u>	<u>991</u>
Total	<u>673,190</u>	<u>677,325</u>	<u>688,300</u>	<u>692,670</u>	<u>693,710</u>	<u>694,816</u>	<u>698,586</u>	<u>703,650</u>	<u>694,113</u>	<u>698,696</u>
<b>Higher Education:</b>										
Public Institutions	251,096	236,865	228,768	225,858	221,207	216,191	210,090	223,812	200,592	195,684
Private Institutions	<u>27,708</u>	<u>26,175</u>	<u>17,997</u>	<u>17,494</u>	<u>17,837</u>	<u>16,909</u>	<u>15,762</u>	<u>23,933</u>	<u>14,705</u>	<u>14,697</u>
Total	<u>278,804</u>	<u>263,040</u>	<u>246,765</u>	<u>243,352</u>	<u>239,044</u>	<u>233,100</u>	<u>225,852</u>	<u>247,745</u>	<u>215,297</u>	<u>210,381</u>
<b>Career-Technology Education:</b>										
Secondary *	151,720	149,501	152,227	150,958	156,673	159,686	156,737	154,804	142,341	158,463
Adult	<u>376,783</u>	<u>372,687</u>	<u>394,650</u>	<u>366,538</u>	<u>354,839</u>	<u>363,222</u>	<u>401,432</u>	<u>300,320</u>	<u>283,784</u>	<u>288,477</u>
Total	<u>528,503</u>	<u>522,188</u>	<u>546,877</u>	<u>517,496</u>	<u>511,512</u>	<u>522,908</u>	<u>558,169</u>	<u>455,124</u>	<u>426,125</u>	<u>446,940</u>

\* - These students may also be included in public school enrollments above.

Sources: Department of Education, Regents for Higher Education, and Department of Career and Technology Education

State of Oklahoma  
 Government Employees by Function  
 Last Ten Fiscal Years  
 (excluding higher education)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Function:</b>										
Education	836	817	782	767	740	768	724	818	822	861
Government										
Administration	2,828	2,829	2,633	2,624	2,529	2,508	2,382	2,409	2,314	2,334
Health Services	4,337	4,434	4,519	4,497	4,429	3,873	5,642	4,346	4,356	4,682
Legal and Judiciary	2,275	2,220	2,255	2,216	2,135	2,086	2,155	2,132	2,098	2,073
Museums	151	145	140	129	112	116	118	124	124	128
Natural Resources	2,266	2,254	2,360	2,325	2,329	2,291	1,767	2,266	2,408	2,412
Public Safety and Defense	6,320	6,367	6,338	6,409	6,564	6,586	6,594	6,739	6,365	6,054
Regulatory Services	1,289	1,302	1,023	1,030	1,087	1,126	1,067	1,110	1,046	1,020
Social Services	10,960	11,268	11,518	10,911	10,109	9,475	7,771	9,621	9,546	9,171
Transportation	2,865	2,906	2,868	2,912	2,840	2,886	2,376	2,917	2,808	2,752
<b>Total</b>	<b>34,127</b>	<b>34,542</b>	<b>34,436</b>	<b>33,820</b>	<b>32,874</b>	<b>31,715</b>	<b>30,596</b>	<b>32,482</b>	<b>31,887</b>	<b>31,487</b>

Source: The Human Capital Management division of the Office of Management and Enterprise Services.

State of Oklahoma  
 Capital Assets Utilization by Function  
 Primary Government  
 Last Ten Fiscal Years  
 (net of depreciation, expressed in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Governmental activities:</b>										
Education	\$ 29,628	\$ 33,274	\$ 32,602	\$ 33,110	\$ 32,936	\$ 32,736	\$ 33,017	\$ 33,873	\$ 34,646	\$ 35,559
Government										
Administration	291,033	289,411	286,592	276,274	250,684	238,202	142,663	136,050	192,367	187,817
Health Services	157,101	151,996	151,408	157,047	166,329	167,742	165,904	166,674	178,588	182,238
Legal and Judiciary	1,066	824	529	1,168	818	526	2,376	2,216	1,960	8,145
Museums	13,169	13,920	12,942	13,894	13,754	13,614	13,548	13,410	13,275	13,233
Natural Resources	200,208	218,155	233,997	251,259	270,754	271,772	290,751	307,321	308,552	318,459
Public Safety and Defense	529,224	522,170	507,035	444,173	429,586	424,454	428,682	439,443	459,306	502,519
Regulatory Services	859	726	947	804	676	496	5,852	8,480	15,454	19,806
Social Services	104,439	86,288	87,785	85,479	77,556	88,957	99,458	118,215	129,510	159,283
Transportation	9,433,515	9,692,860	9,957,686	10,335,267	10,690,785	10,974,397	11,236,685	11,543,699	11,905,658	12,353,642
Governmental activities, net	<u>\$10,760,242</u>	<u>\$11,009,624</u>	<u>\$11,271,523</u>	<u>\$11,598,475</u>	<u>\$11,933,878</u>	<u>\$12,212,896</u>	<u>\$12,418,936</u>	<u>\$12,769,381</u>	<u>\$13,239,316</u>	<u>\$13,780,701</u>
<b>Business-type activities, net</b>	<u>\$ 1,037</u>	<u>\$ 1,415</u>	<u>\$ 1,914</u>	<u>\$ 2,856</u>	<u>\$ 2,477</u>	<u>\$ 2,085</u>	<u>\$ 1,543</u>	<u>\$ 1,118</u>	<u>\$ 709</u>	<u>\$ 2,334</u>

# State of Oklahoma

## Operating Indicators for Governmental Functions

### Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Government Administration</b>										
Office of Management and Enterprise Services										
Number of motor vehicles maintained	1,168	1,104	1,093	1,076	1,050	1,007	1,007	1,068	1,051	985
Number of buildings managed	20	20	28	28	28	28	28	28	28	29
<b>Health Services</b>										
Department of Health										
Protective services:										
Retail food establishment inspections	43,083	44,939	45,417	47,457	45,887	47,414	35,878	29,175	34,561	37,079
Food inspections	43,671	47,831	48,417	48,913	47,238	48,602	56,750	36,389	36,627	39,921
Long-Term Care:										
Facility licensing, inspections and complaints	2,223	2,492	2,275	2,901	2,231	2,227	2,266	1,399	1,208	2,587
Residents (approximate)	19,340	19,006	18,987	18,880	18,722	18,135	19,754	16,424	16,242	42,242
Mental Health and Substance Abuse Department										
Number of clients:										
Mental Health	65,314*	166,181	167,464	172,096	175,823	177,882	182,583	183,767	171,230	180,986
Substance Abuse	18,208	37,292	39,747	39,257	37,709	32,847	33,413	31,733	29,057	31,229
Hospitals - Inpatient Care	3	3	2	2	2	2	2	2	2	2
<b>Legal and Judiciary</b>										
Oklahoma Indigent Defense system										
Provides legal representation for indigent citizens charged with committing criminal acts.										
Represented - Total Court Appointments	43,980	48,401	49,723	58,025	60,747	61,115	64,897	58,853	56,658	51,872
Included above: Non-capital trial cases										
Capital trial cases	43,167	47,543	48,964	57,318	59,986	60,317	64,133	58,220	55,973	51,226
General appeals cases	67	53	50	44	58	56	37	31	34	27
Average cost: Non-capital case (Staff Attorney)	\$361	\$346	\$304	\$334	\$333	\$474	\$499	\$639	\$706	\$852
Capital case (Staff Attorney)	\$25,955	\$36,710	\$37,075	\$40,252	\$48,385	\$41,224	\$61,864	\$49,522	\$36,637	\$44,969
<b>Museums</b>										
J. M. Davis Memorial										
Museum - 40,000 sq. ft.										
Number of artifacts (approximate)	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Visitors per year (approximate)	30,000	30,000	28,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Oklahoma Historical Society										
Center - 18 acres; 215,000 sq. ft.; 7 Galleries; 6 acres outdoor exhibits										
Number of artifacts (on exhibit, approximate)	>2,000	>2,000	>2,000	>2,000	>2,000	2,500	2,500	2,500	2,500	2,500
Visitors and researchers per year (approximate)	214,723	183,251	183,000	182,000	185,000	199,000	196,000	196,000	196,000	196,000
Will Rogers Memorial										
Museum - 26,631 sq.ft., 15 acres - 12 Galleries, Theater and Children's Museum; Library - 1,518 sq. ft.; Birthplace - 161 acres										
Archives - number of documents, photographs	18,000	18,000	18,000	36,000	30,000	30,000	30,000	30,000	30,000	30,000
Visitors and researchers per year (approximate)	32,000	29,000	31,000	26,000	40,000	40,000	40,000	40,000	40,000	40,000
<b>Natural Resources</b>										
Wildlife Conservation										
Number of Anglers in State (last census)	729,000	729,000	729,000	729,000	729,000	729,000	508,000	508,000	513,000	513,000 <sup>^</sup>
Number of Hunters (last census)	244,000	244,000	244,000	244,000	244,000	244,000	149,000	149,000	151,000	151,000 <sup>^</sup>
Number of Wildlife Watchers (last census)	1,263,000	1,263,000	1,263,000	1,263,000	1,263,000	1,263,000	1,703,000	1,703,000	1,720,000	1,720,000 <sup>^</sup>

\* - 2014 increase due to ODMHSAS becoming responsible for Medicaid outpatient behavioral health.

<sup>^</sup> - Reporting source changed participation from state to regional in 2019; state reporting extrapolated from regional statistics

Source: State and federal agency reports. Data above is the latest available at the date of publication.



	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Public Safety and Defense</b>										
Department of Public Safety										
Driver's Licenses Issued	741,938	835,807	727,169	726,740	758,277	773,495	743,173	797,078	726,597	1,188,214
Citations Processed	182,073	198,518	200,826	213,616	205,905	162,542	171,885	144,414	157,235	120,827
Collision Reports Processed	68,406	82,067	74,267	72,537	83,320	79,615	77,254	70,880	69,062	44,340
Department of Corrections										
Capacity (Number of Beds)	25,846	26,473	27,256	27,064	27,399	26,863	25,770	26,672	24,995	23,890
Prison Population	25,159	26,874	27,889	27,987	26,710	27,010	26,821	24,979	21,791	21,022
As a percentage of capacity	97.3%	101.5%	102.3%	103.4%	97.5%	100.5%	104.1%	93.7%	87.2%	88.0%
Cost to house an inmate:										
Per diem cost/day - Maximum Security	\$87.01	\$100.80	\$87.20	\$84.01	\$94.13	\$98.19	\$90.48	\$108.17	\$90.32	\$113.66 $\alpha$
Per diem cost/day - Medium Security	\$40.17	\$47.47	\$42.83	\$45.46	\$45.73	\$46.73	\$52.35	\$61.71	\$56.74	\$63.24 $\alpha$
<b>Regulatory Services</b>										
Oklahoma Corporation Commission										
Number of regulated utilities	418	420	411	410	359	361	365	350	349	335
Hearings and administrative proceedings	40,052	40,594	43,642	44,269	46,463	56,740	73,510	53,551	47,966	61,625
Motor carrier vehicles registered (power units)	139,569	152,280	157,188	156,722	178,913	143,774	145,406	147,433	128,522	145,719
Oil and gas wells plugged (operator plugged)	1,319	1,485	1,226	2,403	1,072	1,253	574	1,233	1,428	1,382
Oil and gas wells plugged (abandoned, plugged by OCC)	167	206	176	132	44	119	138	110	82	74
Motor Fuel Facilities inspected	5,760	6,011	4,371	4,384	4,923	4,912	4,655	3,442	4,851	5,077
Retail fuel dispenser (pump) inspections	75,939	80,397	80,742	83,649	73,169	74,072	73,694	56,324	80,332	89,258
<b>Social Services</b>										
Department of Human Services										
Adoption subsidies (end of fiscal year)	13,706	14,123	15,333	16,611	18,417	19,337	20,208	20,868	21,044	22,448
Adult protective svcs (state fiscal year)	15,223	15,010	14,807	9,821	8,499	5,932	4,306	7,907	5,519	9,032
Child care services provided (monthly average)	34,722	33,322	32,336	31,713	44,942	43,642	49,950	49,053	46,961	52,745
Licensed facilities (monthly average)	3,960	3,825	3,558	3,438	3,317	3,185	3,038	2,986	2,825	2,841
Licensed capacity (monthly average)	132,625	131,150	126,123	124,200	122,253	120,930	117,031	115,771	113,360	116,591
Child protective services-Substantiated (state fiscal year)	11,418	14,172	15,252	15,187	15,289	15,951	15,809	15,911	14,466	13,921
Child support enforcement (cases-quarterly average)	203,209	206,746	207,677	206,701	201,459	194,836	189,917	185,424	177,021	166,950
Developmental Disabilities Persons Served (end of fiscal year)	9,772	9,777	9,693	8,905	8,186	7,845	7,770	7,919	8,342	8,180
Elderly support services (meals/state fiscal year)	6,105,823	6,056,081	6,324,185	6,630,634	6,570,061	6,256,572	5,338,165	4,632,964	8,058,794	7,066,674
Food stamps (unduplicated count/state fiscal year)	889,137	615,412	867,968	874,873	850,855	825,583	804,641	816,375	833,205	855,165
Foster care children (end of fiscal year)	10,233	11,483	10,942	9,984	9,923	9,277	8,631	8,499	8,099	7,382
Oklahoma Employment Security Commission										
Initial unemployment claims	124,170	108,758	105,258	109,028	90,007	73,761	90,668	857,192	496,111	123,261
Unemployment insurance paid (in thousands)	\$263,654	\$247,149	\$270,420	\$386,313	\$313,657	\$234,472	\$209,215	\$858,138	\$922,058	\$275,058
<b>Transportation</b>										
Oklahoma Department of Transportation										
State Highway System (miles)	12,882	12,882	12,265	12,265	12,265	12,265	12,265	12,254	12,254	12,254
Bridges on the State Highway System	6,800	6,800	6,828	6,828	6,828	6,828	6,828	6,794	6,794	6,794
System usage growth next 20 years (est.)										
Automobiles	65%	65%	65%	65%	26%	26%	27%	20%	20%	20%
Trucks	65%	65%	65%	65%	52%	52%	30%	40%	40%	40%
Freight railroads operating in Oklahoma	22	22	22	22	22	22	22	23	23	23
Passenger railroad	1	1	1	1	1	1	1	1	1	1
Rail passengers (average per year)	81,000	81,000	82,000	82,000	82,000	82,000	82,000	68,000	68,000	68,000
Railroad track (miles)	3,746	3,746	3,740	3,740	3,740	3,740	3,740	3,244	3,244	3,244
Public Waterway Ports	2	2	2	2	2	2	2	2	2	2

$\alpha$  - Estimated - current year

# State of Oklahoma

## Additional Information and Sources of Statistical Data

Fiscal Year 2022

### **Additional Information:**

The population of Oklahoma has steadily increased since 2012, averaging 0.5% per year.

At the end of December 2021, the United States (U. S.) Bureau of Labor Statistics reported the state's unemployment rate was 2.8% compared to the national rate of 5.3%.

Oklahoma's total personal income rate has increased at an average of 4.2% annually since 2012. During the same period, Oklahoma's personal income per capita increased annually by an average of 3.7% compared to 4.5% nationally.

As a result, annual total tax collections since 2013 have increased by \$4,018,308,808 or 51.1%.

Please refer to the preceding Statistical Section tables, Management's Discussion and Analysis, the Financial Statements and Notes for more details and analysis.

### **Sources of Statistical Data:**

Data provided in the statistical section of the ACFR is the latest available at the time of publication.

Primary sources of statistical data provided in the Statistical Section of the ACFR include:

- Oklahoma Department of Commerce
- Oklahoma Department of Labor
- Oklahoma Employment Security Commission
- Oklahoma Tax Commission
- Oklahoma Department of Education
- Oklahoma Regents for Higher Education
- Oklahoma Department of Career and Technology
- Oklahoma Office of Management and Enterprise Services
- U. S. Bureau of Labor Statistics
- U. S. Census Bureau
- U. S. Department of Commerce
- U. S. Bureau of Economic Analysis

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State Agency Finance Officers and Teams

2022

# OKLAHOMA

## GENERAL INFORMATION

ADMITTED TO UNION (46TH STATE)	1907
CAPITAL	Oklahoma City
2020 POPULATION	3,959,353
POPULATION PER SQUARE MILE	57.7
COUNTIES	77

## STATE SYMBOLS

NICKNAME	The Sooner State
MOTTO	Labor Omnia Vincit (Work Conquers All Things)
SONG	<i>"OKLAHOMA!"</i> (Music by Richard Rogers, Lyrics by Oscar Hammerstein II)
ANIMAL	American Buffalo (Bison)
BIRD	Scissor-Tailed Flycatcher
FISH	White Bass
INSECT	Honeybee
FRUIT	Strawberry
WILDFLOWER	Indian Blanket
FLORAL EMBLEM	Mistletoe
TREE	Redbud
MUSICAL INSTRUMENT	Fiddle
FOLK DANCE	Square Dance

## AREA

TOTAL AREA	69,996 Square Miles
LAND AREA	68,595 Square Miles
WATER AREA	1,401 Square Miles

## RECREATION

NUMBER OF STATE PARKS	38
NUMBER OF TRAILS	424
NUMBER OF LAKES	>200





**OKLAHOMA**  
Office of Management  
& Enterprise Services

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