



OKLAHOMA

Water Resources Board

2016 GENERAL BOND RESOLUTION STATE LOAN PROGRAM

**ANNUAL FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025 AND 2024
AND INDEPENDENT AUDITOR'S REPORTS**

OKLAHOMA WATER RESOURCES BOARD
2016 GENERAL BOND RESOLUTION STATE LOAN PROGRAM
ANNUAL FINANCIAL REPORT
As of and for the Years Ended June 30, 2025 and 2024

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INDEPENDENT AUDITOR'S REPORT

To the Members of the
Oklahoma Water Resources Board

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Oklahoma Water Resources Board 2016 General Bond Resolution State Loan Program (the "Program") as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Program's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Program as of June 30, 2025 and 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *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 Program, 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.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Program'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 Program'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 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our 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 an opinions on the financial statements that collectively comprise the Program's basic financial statements. The accompanying combining financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2025, on our consideration of the Program's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Program'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 Program's internal control over financial reporting and compliance.



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MANAGEMENT'S DISCUSSION AND ANALYSIS

**OKLAHOMA WATER RESOURCES BOARD
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MANAGEMENT’S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Oklahoma Water Resources Board 2016 General Bond Resolution State Loan Program Revenue Bonds (the "Program") financial performance provides an overview of the financial activities for the fiscal years ended June 30, 2025, and June 30, 2024. Please read it in conjunction with the financial statements, which begin on page 11. This report covers the Bond Programs administered by the Oklahoma Water Resources Board (the "Board") for the Series 2016A, 2017A, 2017B, 2017C, 2018A, 2018B, 2018C, 2018D, 2019A, 2019B, 2019C, 2020A, 2020B, 2020C, 2020D, 2020E, 2020F, 2021A, 2021B, 2021C, 2021D, 2022A, 2022B, 2023A, 2023B, 2023C, 2024A, 2024B, 2024C, and 2025A Bond Programs and the reserve fund related to the bond accounts.

Financial Highlights

- Total assets increased 12.9% from \$1,038,632,512 to \$1,173,599,487 between FY 2024 and FY 2025. Total assets increased 61.89% from \$641,562,489 to \$1,038,632,512 between FY 2023 and FY 2024.
- Total liabilities increased 12.12% from \$1,010,581,389 to \$1,133,099,223 between FY 2024 and FY 2025. Total liabilities increased 64.23% from \$615,362,119 to \$1,010,581,389 between FY 2023 and FY 2024.
- Total Net Position at June 30, 2025, totaled \$40,500,264. Of this amount \$40,472,685 was restricted for debt service reserve account.
- During fiscal year 2025, the program issued the 2024C bonds totaling \$112,785,000 and the 2025A bonds totaling \$29,570,000.

Using This Annual Report

This annual report is presented in a format that substantially meets the presentation requirements of the Governmental Accounting Standards Board (GASB) in accordance with generally accepted accounting principles. The Program is accounted for and presented similar to a special-purpose government engaged solely in business-type activities.

The financial statements for the Program are presented after the Management’s Discussion and Analysis in this annual report and then followed by the footnotes in this order:

- Management’s Discussion and Analysis – that provides useful analysis that facilitates a better understanding of the Program’s financial condition and changes therein.
- Basic Financial Statements
 - Statement of Net Position
 - Statement of Revenues, Expenses and Changes in Net Position
 - Statement of Cash Flows

(Unaudited. See accompanying auditor’s report.)

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- Footnotes – that elaborate on the accounting principles used in the preparation of the financial statements and further explain financial statement elements.
 - Supplemental Information – Combining Financial Statements of all Program Bond Issues for the year ended June 30, 2025:
 - Statement of Net Position
 - Statement of Revenues, Expenses and Changes in Net Position
 - Statement of Cash Flows

A Financial Analysis of the Program

One of the most frequently asked questions about the Program’s finances is, “Has the overall financial condition improved, declined or remained steady over the past year?” The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position report information about the Program as a whole and about its activities in a way that helps answer this question. The following tables present a condensed presentation of net position and changes therein.

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Current assets	\$ 36,202,948	\$ 32,591,589	\$ 20,502,020
Non-current assets	1,137,396,539	1,006,041,023	621,060,469
Total assets	<u>1,173,599,487</u>	<u>1,038,632,612</u>	<u>641,562,489</u>
Current liabilities	36,154,223	32,221,389	20,442,119
Non-current liabilities	1,096,945,000	978,360,000	594,920,000
Total liabilities	<u>1,133,099,223</u>	<u>1,010,581,389</u>	<u>615,362,119</u>
Net position			
Restricted for debt service	40,472,685	27,785,898	26,186,918
Unrestricted	27,579	265,325	13,452
Total net position	<u>\$ 40,500,264</u>	<u>\$ 28,051,223</u>	<u>\$ 26,200,370</u>

During fiscal year 2025, the assets and liabilities increased due to the issuance of the 2024C and 2025A bonds and the related notes receivable totaling \$142,355,000. Cash and investments of \$40,451,539 were restricted for the bond debt service reserve account.

During fiscal year 2024, assets and liabilities increased due to the issuance of the 2023B, 2023C, 2024A and 2024B bonds and the related notes receivable totaling \$405,300,000. The increase in current liabilities relates to the increase in current bonds payable. Cash and investments of \$27,681,023 were restricted for the bond debt service reserve account.

(Unaudited. See accompanying auditor’s report.)

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	Business-Type Activities		
	Period Ended June 30,		
	2025	2024	2023
Revenues			
Loan program income	\$ 46,255,261	\$ 34,165,777	\$ 21,808,641
Other income	10,000,511	107	-
Investment interest income	3,867,302	1,254,693	658,363
Total revenues	<u>60,123,074</u>	<u>35,420,577</u>	<u>22,467,004</u>
Expenses			
Trustee fees	139,839	109,323	75,683
Administration expenses	2,344,110	1,296,215	1,055,700
Interest expense	44,157,228	32,574,696	20,727,682
Other fees	214,491	19,121	-
Total expenses	<u>46,855,668</u>	<u>33,999,355</u>	<u>21,859,065</u>
Net Income (Loss) before transfers	13,267,406	1,421,222	607,939
Transfers from (to) other programs	(818,365)	429,631	(76,140)
Change in net position	<u>12,449,041</u>	<u>1,850,853</u>	<u>531,799</u>
Total net position- beginning	28,051,223	26,200,370	25,668,571
Total net position - ending	<u>\$ 40,500,264</u>	<u>\$ 28,051,223</u>	<u>\$ 26,200,370</u>

The significant increase in loan program income from FY 2024 to FY2025 and FY 2023 to FY 2024 is due to the collection of interest on notes receivable. In addition, the program had an infusion of \$10 million dollars from the American Rescue Plant Act Grant interest earnings to provide additional security for the reserve account for the state revenue bond loan program. The increase in interest expense is related to debt service on the outstanding bonds and the continual issuance of new bonds for the program.

Long-Term Debt

At year-end, the Program had \$1,120,715,000 in long-term debt outstanding. The Program's long-term debt by bond issue is as follows:

Series:	2025	2024
2016A	\$ 13,370,000	\$ 13,805,000
2017A	23,650,000	24,565,000
2017B	6,410,000	6,705,000
2017C	17,040,000	18,260,000
2018A	4,040,000	4,480,000
2018B	22,460,000	23,355,000
2018C	38,060,000	38,975,000
2018D	19,270,000	19,470,000
2019A	43,070,000	44,050,000
2019B	12,430,000	12,725,000
2019C	22,435,000	22,910,000
2020A	31,795,000	35,315,000
2020B	24,525,000	24,995,000
2020C	7,285,000	7,440,000
2020D	43,560,000	45,920,000
2020E	17,420,000	17,620,000
2020F	6,440,000	6,685,000
2021A	15,115,000	15,335,000
2021B	15,195,000	15,405,000
2021C	20,505,000	20,860,000
2021D	26,175,000	26,250,000
2022A	28,500,000	28,960,000
2022B	73,205,000	74,465,000
2023A	46,030,000	46,370,000
2023B	170,010,000	174,670,000
2023C	43,400,000	43,475,000
2024A	84,415,000	84,485,000
2024B	102,550,000	102,670,000
2024C	112,785,000	-
2025A	29,570,000	-
Total Bonds	<u>\$ 1,120,715,000</u>	<u>\$ 1,000,220,000</u>

See Note 7 to the financial statements for more detailed information on the Program's long-term debt and changes therein.

(Unaudited. See accompanying auditor's report.)

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Economic Factors and Next Year's Outlook

The Board anticipates additional bond issues to be closed during FY 2026 under the 2016 General Bond Resolution. As with the nature of the Bond Program, the Board expects an increase in net position and liabilities as new bond issues close and new loans are funded.

Contacting the Program's Financial Management

This financial report is designed to provide the Board's accountability of the Program. If you have questions about this report or need additional financial information, contact the Financial Assistance Division of the Oklahoma Water Resources Board at 3800 N. Classen Blvd, Oklahoma City, OK 73118.

(Unaudited. See accompanying auditor's report.)

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BASIC FINANCIAL STATEMENTS

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Statements of Net Position – June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
ASSETS:		
Current Assets:		
Cash and cash equivalents	\$260,100	\$284,738
Current portion of notes receivable	23,770,000	21,860,000
Interest receivable:		
Notes receivable	12,150,871	10,340,887
Other	21,977	105,964
Total current assets	<u>36,202,948</u>	<u>32,591,589</u>
Noncurrent Assets:		
Cash and cash equivalents, restricted	2,659,846	4,367,798
Restricted investment	37,791,693	23,313,225
Notes receivable net of current portion	1,096,945,000	978,360,000
Total noncurrent assets	<u>1,137,396,539</u>	<u>1,006,041,023</u>
Total assets	<u>1,173,599,487</u>	<u>1,038,632,612</u>
LIABILITIES:		
Current Liabilities:		
Accrued interest payable	11,601,077	9,867,150
Current maturities of long-term debt	23,770,000	21,860,000
Arbitrage rebate payable	230,118	-
Other accrued liabilities	553,028	494,239
Total current liabilities	<u>36,154,223</u>	<u>32,221,389</u>
Noncurrent liabilities:		
Long-term debt, less current maturities	1,096,945,000	978,360,000
Total noncurrent liabilities	<u>1,096,945,000</u>	<u>978,360,000</u>
Total liabilities	<u>1,133,099,223</u>	<u>1,010,581,389</u>
NET POSITION:		
Restricted for debt service	40,472,685	27,785,898
Unrestricted	27,579	265,325
Total net position	<u>\$40,500,264</u>	<u>\$28,051,223</u>

See accompanying notes to the basic financial statements.

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Statements of Revenues, Expenses, and Changes in Net Position – Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Operating Revenues:		
Loan program income	\$46,255,261	\$34,165,777
Other income	10,000,000	-
Total operating revenues	<u>56,255,261</u>	<u>34,165,777</u>
Operating Expenses:		
Trustee fees	139,839	109,323
Administration fees	2,344,110	1,296,215
Interest expense	44,157,228	32,574,696
Other fees	214,491	19,121
Total operating expenses	<u>46,855,668</u>	<u>33,999,355</u>
Operating income (loss)	9,399,593	166,422
Non-Operating Revenues (Expenses):		
Other income	511	107
Investment and interest income	<u>3,867,302</u>	<u>1,254,693</u>
Total non-operating revenues	<u>3,867,813</u>	<u>1,254,800</u>
Net income (loss) before transfers	13,267,406	1,421,222
Transfers in - Oklahoma Water Resources Board	529,861	1,424,764
Transfers out - Oklahoma Water Resources Board	<u>(1,348,226)</u>	<u>(995,133)</u>
Change in net position	12,449,041	1,850,853
Total net position - beginning	28,051,223	26,200,370
Total net position - ending	<u><u>\$40,500,264</u></u>	<u><u>\$28,051,223</u></u>

See accompanying notes to the basic financial statements.

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Statements of Cash Flows – Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Collections of interest on loans to local governments	\$ 44,445,788	\$ 29,355,870
Payments to other suppliers	(2,409,533)	(1,204,873)
Interest paid on debt	(42,423,301)	(27,965,212)
Other income	10,000,000	-
Net Cash Provided by (Used in) Operating Activities	<u>9,612,954</u>	<u>185,785</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers in - Oklahoma Water Resources Board	529,861	1,424,764
Transfers out - Oklahoma Water Resources Board	(1,348,226)	(995,133)
Issuance of long-term debt	142,355,000	405,300,000
Repayments of long-term debt	(21,860,000)	(14,910,000)
Net Cash Provided by Noncapital Financing Activities	<u>119,676,635</u>	<u>390,819,631</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Sales (purchase) of investments	(11,236,555)	(4,187,488)
Collections of principal on loans to local governmental units	21,860,000	14,910,000
Loans to local governments	(142,355,000)	(405,300,000)
Interest income	709,376	1,017,044
Net Cash Provided by (Used in) Investing Activities	<u>(131,022,179)</u>	<u>(393,560,444)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(1,732,590)	(2,555,028)
Balances - beginning of the year	<u>4,652,536</u>	<u>7,207,564</u>
Balances - end of the year	<u><u>\$2,919,946</u></u>	<u><u>\$4,652,536</u></u>
Reconciliation of Statement of Net Position:		
Cash and Cash Equivalents	\$260,100	\$284,738
Restricted Cash and Cash Equivalents	2,659,846	4,367,798
Total Cash and Cash Equivalents	<u><u>\$2,919,946</u></u>	<u><u>\$4,652,536</u></u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:		
Operating income (loss)	\$9,399,593	\$166,422
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Other income	511	107
Change in assets and liabilities:		
Decrease (Increase) in interest receivable	(1,809,984)	(4,810,014)
Increase (Decrease) in accrued interest payable	1,733,927	4,314,944
Increase (Decrease) in other accrued liabilities	288,907	514,326
Net Cash Provided by (Used in) Operating Activities	<u><u>\$9,612,954</u></u>	<u><u>\$185,785</u></u>

See accompanying notes to the basic financial statements.

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Footnotes to the Basic Financial Statements:

1. Summary of Significant Accounting Policies

Reporting Entity

The Oklahoma Water Resources Board (the "Board") 2016 General Bond Resolution State Loan Program Revenue Bonds (the "Program") was established to provide statewide financial assistance to local governments by making loans to be utilized to provide for the acquisition, development, and utilization of storage and control facilities for water and sewage systems and to be used to refund a portion of the Board's outstanding State Loan Program Revenue Bonds originally issued by the Board. As part of the program, the following bonds were issued:

- Series 2016A Bonds commenced operations in December 2016. The bonds were issued to provide loans to local government units.
- Series 2017A Bonds commenced operations in February 2017. The bonds were issued to provide loans to local government units.
- Series 2017B Bonds commenced operations in June 2017. The bonds were issued to provide loans to local government units.
- Series 2017C Bonds commenced operations in November 2017. The bonds were issued to provide loans to local government units.
- Series 2018A Bonds commenced operations in April 2018. The bonds were issued to provide loans to local government units.
- Series 2018B Bonds commenced operations in July 2018. The bonds were issued to provide loans to local government units.
- Series 2018C Bonds commenced operations in September 2018. The bonds were issued to provide loans to local government units.
- Series 2018D Bonds commenced operations in October 2018. The bonds were issued to provide loans to local government units.
- Series 2019A Bonds commenced operations in February 2019. The bonds were issued to provide loans to local government units.
- Series 2019B Bonds commenced operations in April 2019. The bonds were issued to provide loans to local government units.
- Series 2019C Bonds commenced operations in July 2019. The bonds were issued to provide loans to local government units.
- Series 2020A Bonds commenced operations in July 2020. The bonds were issued to provide loans to local government units.

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- Series 2020B Bonds commenced operations in October 2020. The bonds were issued to provide loans to local government units.
- Series 2020C Bonds commenced operations in October 2020. The bonds were issued to provide loans to local government units.
- Series 2020D Bonds commenced operations in November 2020. The bonds were issued to provide loans to local government units.
- Series 2020E Bonds commenced operations in December 2020. The bonds were issued to provide loans to local government units.
- Series 2020F Bonds commenced operations in December 2020. The bonds were issued to provide loans to local government units.
- Series 2021A Bonds commenced operations in April 2021. The bonds were issued to provide loans to local government units.
- Series 2021B Bonds commenced operations in June 2021. The bonds were issued to provide loans to local government units.
- Series 2021C Bonds commenced operations in September 2021. The bonds were issued to provide loans to local government units.
- Series 2021D Bonds commenced operations in December 2021. The bonds were issued to provide loans to local government units.
- Series 2022A Bonds commenced operations in March 2022. The bonds were issued to provide loans to local government units.
- Series 2022B Bonds commenced operations in May 2022. The bonds were issued to provide loans to local government units.
- Series 2023A Bonds commenced operations in June 2023. The bonds were issued to provide loans to local government units.
- Series 2023B Bonds commenced operations in August 2023. The bonds were issued to provide loans to local government units.
- Series 2023C Bonds commenced operations in November 2023. The bonds were issued to provide loans to local government units.
- Series 2024A Bonds commenced operations in February 2024. The bonds were issued to provide loans to local government units.
- Series 2024C Bonds commenced operations in June 2024. The bonds were issued to provide loans to local government units.

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- Series 2024B Bonds commenced operations in October 2024. The bonds were issued to provide loans to local government units.
- Series 2025A Bonds commenced operations in March 2025. The bonds were issued to provide loans to local government units.
- The 2016 Debt Service Reserve Fund accounts for the debt service reserve required to be held on all outstanding bonds.

Administrative, accounting, and other technical support services are provided by employees of the Board. Payroll and other costs incurred by the Board on behalf of the Program are not billed by the Board, but are recovered from the administration fees paid by the Program (see Note 4).

Basis of Accounting and Measurement Focus

The Programs are accounted for and presented similar to a special-purpose government engaged solely in business type activities.

The Program uses the accrual basis of accounting whereby expenses are recognized when the liability is incurred, and revenues are recognized when earned.

The Program uses the economic resources measurement focus where all assets, liabilities, net position, revenues, expenses, and transfers relating to the Program and net income and capital maintenance are measured.

Pursuant to its bond indentures, the Programs are required to maintain various separate accounts for principal payments, interest payments and various other purposes. To assist in fulfilling these responsibilities, the Board has engaged BancFirst to act as trustee and maintain appropriate fiduciary records. All activities and monies in the various accounts required by the bond indenture are considered to be applicable to the conduct of the Program's ongoing operations.

Accordingly, all such activities and monies are combined for purposes of preparing the Program's financial statements.

Cash and Cash Equivalents

The Program considers all highly liquid debt instruments purchased with an original maturity of three months or less and money market funds to be cash equivalents.

Investments

Investments are reported at fair value using selected bases. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

Operating Revenues and Expenses

The Program considers income earned on outstanding loans receivable to be operating revenue. Similarly, the Program considers expenses incurred in administering the loan program, such as trustee fees, administration expenses, and interest expense, to be operating expenses.

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Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Date of Management's Review of Subsequent Events

Management has evaluated subsequent events through September 25, 2025, the date the financial statements were available to be issued, and there are no subsequent events to disclose.

2. Cash Deposits and Investment Risk

Cash and cash equivalents of \$2,919,946 and \$4,652,536 at June 30, 2025 and June 30, 2024, respectively, were on deposit with the Program's trustee.

Investment Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the investment. The Program discloses its exposure to interest rate risk by disclosing the maturity dates of its various investments.

Investment Credit Risk – the bond indenture provides for restrictions on the investment choices of the Program as follows:

- a. Obligations of the United States Government, its agencies, and instrumentalities.
- b. Collateralized or insured certificates of deposit and other evidence of deposit at banks, savings banks, savings and loan associations or credit unions located in the State of Oklahoma.
- c. Money market funds regulated by the Securities and Exchange Commission and which investments consist of those items specified in (a) and (b) above.
- d. Investment agreements with entities maintaining a rating in the top two categories by a nationally recognized municipal bond rating agency.

The Program categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

At June 30, 2025, the Program's investments in obligations not directly guaranteed by the U.S. Government and investments in money market mutual funds were rated as follows:

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<u>Type</u>	<u>Average Maturities</u>	<u>Credit Rating</u>	<u>Fair Value Measurement</u>	<u>Carrying Value</u>
Federated Treasury Obligation Money Market Fund	16 days	AAAM	Level I	\$ 2,919,946
Long-term certificates of deposit	1 yr.	N/A	Level I	3,402,533
U.S. Treasury Bill	6 mo.	AA+	Level I	23,713,955
U.S. Treasury Bond	1 yr.	AAA	Level I	10,675,205
Total				<u>\$ 40,711,639</u>

At June 30, 2024, the Program's investments in obligations not directly guaranteed by the U.S. Government and investments in money market mutual funds were rated as follows:

<u>Type</u>	<u>Average Maturities</u>	<u>Credit Rating</u>	<u>Fair Value Measurement</u>	<u>Carrying Value</u>
Federated Hermes Government Obligation Tax Managed Income	16 days	AAAM	Level I	\$ 4,380,600
Federated Hermes Government Obligation Money Market Fund	16 days	AAAM	Level I	271,936
Long-term certificates of deposit	1 yr.	N/A	Level I	4,815,069
U.S. Treasury Bill	6 mo.	AA+	Level I	18,498,156
Total				<u>\$ 27,965,761</u>

Concentration of Investment Credit Risk – the bond indenture places no limit on the amount the Program may invest in any one issuer. The Program has the following concentration of credit risk at June 30, 2025: 7.2% is invested in Federated Treasury Obligation Fund, 58.2% in US Treasury Bills, 26.2% in U.S. Treasury Bonds, and 8.4% in long-term certificates of deposit.

The Program has the following concentration of credit risk at June 30, 2024: 16.7% is invested in Federated Hermes Government Obligations, 66.1% in US Treasury Bills, and 17.2% in long-term certificates of deposit.

3. Notes Receivable

Notes receivable represents loans made by the Program which were made to local governmental entities for the purposes of acquisition, development, and utilization of storage and control facilities for water and sewage systems. Payments on the notes are due in semiannual installments with various maturity dates based upon the bond issue; however, the local entities have the option to pay the notes earlier than the scheduled maturities. The current portion of notes receivable contains scheduled maturities and any prepayments made subsequent to year-end through September 30, 2026. The notes are collateralized by various revenue sources including, but not limited to user charges and sales taxes of the borrowers and mortgages on the water and/or sewer systems. Outstanding notes receivable at June 30, 2025 and 2024, are as follows:

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Issue	Maturity Date	Note Receivable		FY 2025 Current Maturities
		2025	2024	
2016A	2046	\$ 13,370,000	\$ 13,805,000	\$ 450,000
2017A	2046	23,650,000	24,565,000	940,000
2017B	2047	6,410,000	6,705,000	305,000
2017C	2038	17,040,000	18,260,000	1,255,000
2018A	2032	4,040,000	4,480,000	455,000
2018B	2038	22,460,000	23,355,000	1,515,000
2018C	2048	38,060,000	38,975,000	965,000
2018D	2048	19,270,000	19,470,000	455,000
2019A	2048	43,070,000	44,050,000	1,025,000
2019B	2049	12,430,000	12,725,000	310,000
2019C	2049	22,435,000	22,910,000	500,000
2020A	2049	31,795,000	35,315,000	805,000
2020B	2040	24,525,000	24,995,000	475,000
2020C	2050	7,285,000	7,440,000	160,000
2020D	2040	43,560,000	45,920,000	2,380,000
2020E	2050	17,420,000	17,620,000	205,000
2020F	2045	6,440,000	6,685,000	245,000
2021A	2050	15,115,000	15,335,000	255,000
2021B	2051	15,195,000	15,405,000	225,000
2021C	2051	20,505,000	20,860,000	370,000
2021D	2051	26,175,000	26,250,000	510,000
2022A	2051	28,500,000	28,960,000	480,000
2022B	2051	73,205,000	74,465,000	1,325,000
2023A	2053	46,030,000	46,370,000	615,000
2023B	2053	170,010,000	174,670,000	5,100,000
2023C	2053	43,400,000	43,475,000	570,000
2024A	2053	84,415,000	84,485,000	110,000
2024B	2054	102,550,000	102,670,000	375,000
2024C	2054	112,785,000	-	1,180,000
2025A	2054	29,570,000	-	210,000
		<u>\$ 1,120,715,000</u>	<u>\$ 1,000,220,000</u>	<u>\$ 23,770,000</u>

4. Program Funding and Fees

To develop a financial assistance program to provide water and wastewater infrastructure financing for Oklahoma communities, approximately \$40 million has been contributed to the Statewide Water Development Revolving Fund (SWDRF) that was established during the 1982 legislative session. A portion of those funds were used to create reserves to provide security for OWRB bond issues to enhance the Financial Assistance Program. Interest income earned on these reserve funds are transferred to the Emergency Grant Account at the discretion of the Program to be utilized by the Board to make emergency grants in amounts up to \$100,000 per local entity for approved purposes. Any portion of the Debt Service Reserve Fund that is not expended to cover defaults on principal and interest will be returned to the Revolving Fund at the termination of the Program.

At closing of the Series 2016A Bonds, \$4 million was transferred from the 1986 General Bond Resolution Debt Service Reserve Fund to the 2016 Debt Service Reserve Fund to satisfy the Aggregate Debt Service Requirement as defined in the 2016 General Bond Resolution. An additional \$1 million was transferred into the 2016 Debt Service Reserve at closing of the Series 2017A Bonds. An additional \$7,050,000, \$750,000, \$5,582,929, \$1,905,924, \$213,362, and \$1,424,764 was transferred in FY 2019, 2020, 2021, 2022, 2023, and 2024 respectively. In FY 2025, \$296,562 was transferred into the 2016 Debt Service Reserve. The 2016 Debt Service Reserve is held by the Board's trustee bank.

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For the year ended June 30, 2025 and 2024 \$1,348,226 and \$995,133, respectively, were transferred to the Emergency Grant Account.

The bond indenture agreement provides for various fees to be paid in connection with the administration of the Program. These fees include the following:

- During the year, an annual program administration fee of 0.1866% or 0.1316% of fixed rate notes receivable outstanding during the period was charged to operations of the Bond Programs. These fees are payable to the Oklahoma Water Resources Board for providing clerical, management and administrative services.
- During the year, a trustee fee 0.0134% of bonds outstanding was charged to operations of the 2016A, 2017A, 2017B, 2017C, 2018A, 2018B, 2018C, 2018D, 2019A, 2019B, 2019C, 2020A, 2020B, 2020C, 2020D, 2020E, 2020F, 2021A, 2021B, 2021C, 2021D, 2022A, 2022B, 2023A, 2023B, 2023C, 2024A, 2024B, 2024C and 2025 bonds. Fees are calculated twice a year using the balance of bonds outstanding at March 31 and September 30.

5. Restricted Cash and Investments

The use of the investments are restricted for debt service. The restricted cash and investments are held in the Debt Service Reserve Fund.

A description of the restricted cash and investment as of June 30, 2025 and June 30, 2024 are as follows:

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	<u>2025</u>	<u>2024</u>
Cash and cash equivalents - Federated Treasury Obligations Svc -Money Market Fund	\$ 2,659,846	\$ -
Cash and cash equivalents - Federated Hermes Government Obligation Tax Manged Income	-	4,367,798
Investments - Long-term certificates of deposit with principal amounts for \$249,000, maturing in September 2024 and May 2025, with interest rates at 5.20% and 5.55%	-	4,815,069
Investments - Long-term certificates of deposit with principal amounts for \$239,000 and \$249,000, maturing between May and December 2026, with interest rates at 4.020% and 4.305%	3,402,533	-
Investment -U.S. Treasury Bill principal amount of \$2,354,000 maturing in August 2025	2,304,779	-
Investment -U.S. Treasury Bill principal amount of \$4,086,000 maturing in September 2025	4,000,684	-
Investments - U.S. Treasury Bill principal of \$3,713,000, maturing February 2026	3,577,703	-
Investments - U.S. Treasury Bill principal of \$3,650,000, maturing December 2025	3,574,660	-
Investments - U.S. Treasury Bill principal of \$2,344,000, maturing June 2026	2,258,655	-
Investments - U.S. Treasury Bill principal of \$4,162,000, maturing October 2025	3,999,058	-
Investments - U.S. Treasury Bill principal of \$4,158,000, maturing November 2025	3,998,416	-
Investment -U.S. Treasury Bill principal amount of \$5,132,000 maturing in July 2024	-	5,000,880
Investment -U.S. Treasury Bill principal amount of \$2,565,000 maturing in August 2024	-	2,499,387
Investment -U.S. Treasury Bill principal amount of \$2,052,000 maturing in October 2024	-	1,999,032
Investment -U.S. Treasury Bill principal amount of \$7,185,000 maturing in September 2024	-	6,998,711
Investment -U.S. Treasury Bill principal amount of \$2,053,500 maturing in November 2024	-	2,000,146
Investments - U.S. Treasury Bonds principal of \$5,652,000, interest of 4.50% maturing July 2026	5,682,351	-
Investments - U.S. Treasury Bonds principal of \$4,952,000, interest of 4.625% maturing September 2026	4,992,854	-
	<u>\$ 40,451,539</u>	<u>\$ 27,681,023</u>

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6. Arbitrage Rebate Due Federal Government

In order for the interest on the Program's bonds to be tax exempt, the Board must comply with certain provisions of the Internal Revenue Code, as amended. One provision requires that arbitrage earnings (defined as the excess of the amount earned on all nonpurpose investments over the amount which would have been earned if the nonpurpose investments were invested at a rate equal to the bond yield) be rebated to the Internal Revenue Service. This rebate is payable at the end of each five years during the term of the issue. Management has estimated the arbitrage rebate liability to be \$230,118 at June 30, 2025 and \$19,121 at June 30, 2024.

7. Long-term Debt

<u>Type of Bonds</u>	<u>Beginning July 1, 2024</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending June 30, 2025</u>	<u>Due Within One Year</u>
Fixed Rate Bonds	\$ 1,000,220,000	\$ 142,355,000	\$ 21,860,000	\$ 1,120,715,000	\$ 23,770,000
Total Bonds Outstanding	<u>\$ 1,000,220,000</u>	<u>\$ 142,355,000</u>	<u>\$ 21,860,000</u>	<u>\$ 1,120,715,000</u>	<u>\$ 23,770,000</u>

<u>Type of Bonds</u>	<u>Beginning July 1, 2023</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending June 30, 2024</u>	<u>Due Within One Year</u>
Fixed Rate Bonds	\$ 609,830,000	\$ 405,300,000	\$ 14,910,000	\$ 1,000,220,000	\$ 21,860,000
Total Bonds Outstanding	<u>\$ 609,830,000</u>	<u>\$ 405,300,000</u>	<u>\$ 14,910,000</u>	<u>\$ 1,000,220,000</u>	<u>\$ 21,860,000</u>

Outstanding Bonds at June 30:

	<u>2025</u>	<u>2024</u>
Series 2016A serial and term bonds due in annual installments of \$260,000 to \$790,000, interest from 2.0% to 5.0%, final maturity October 1, 2046	\$ 13,370,000	\$ 13,805,000
Series 2017A serial and term bonds due in annual installments of \$25,000 to \$1,635,000, interest from 2.00% to 5.00%, final maturity October 1, 2046	23,650,000	24,565,000
Series 2017B serial and term bonds due in annual installments of \$40,000 to \$415,000, interest from 2.00% to 4.00%, final maturity October 1, 2047	6,410,000	6,705,000
Series 2017C serial and term bonds due in annual installments of \$125,000 to \$1,770,000, interest from 2.00% to 4.00%, final maturity October 1, 2038	17,040,000	18,260,000
Series 2018A serial and term bonds due in annual installments of \$200,000 to \$555,000, interest from 2.00% to 5.00%, final maturity October 1, 2032	4,040,000	4,480,000
Series 2018B serial and term bonds due in annual installments of \$400,000 to \$2,515,000, interest from 3.00% to 5.00%, final maturity October 1, 2038	22,460,000	23,355,000
Series 2018C serial and term bonds due in annual installments of \$445,000 to \$1,860,000, interest from 3.00% to 5.00%, final maturity September 1, 2048	38,060,000	38,975,000
Series 2018D serial and term bonds due in annual installments of \$100,000 to \$860,000, interest from 3.125% to 5.00%, final maturity October 1, 2048	19,270,000	19,470,000
Series 2019A serial and term bonds due in annual installments of \$350,000 to \$1,810,000, interest from 3.25% to 5.00%, final maturity October 1, 2048	43,070,000	44,050,000
Series 2019B serial and term bonds due in annual installments of \$125,000 to \$630,000, interest from 3.25% to 5.00%, final maturity October 1, 2048	12,430,000	12,725,000

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	<u>2025</u>	<u>2024</u>
Series 2019C serial and term bonds due in annual installments of \$70,000 to \$1,150,000, interest from 3.00% to 5.00%, final maturity October 1, 2049	22,435,000	22,910,000
Series 2020A serial and term bonds due in annual installments of \$835,000 to \$3,520,000, interest from 2.125% to 4.00%, final maturity October 1, 2049	31,795,000	35,315,000
Series 2020B serial and term bonds due in annual installments of \$435,000 to \$3,370,000, interest from 0.309% to 2.425%, final maturity October 1, 2040	24,525,000	24,995,000
Series 2020C serial and term bonds due in annual installments of \$145,000 to \$445,000, interest at 4.000%, final maturity October 1, 2050	7,285,000	7,440,000
Series 2020D serial and term bonds due in annual installments of \$2,330,000 to \$3,230,000, interest from 0.270% to 2.750%, final maturity October 1, 2040	43,560,000	45,920,000
Series 2020E serial and term bonds due in annual installments of \$150,000 to \$925,000, interest from 2.125% to 4.000%, final maturity October 1, 2050	17,420,000	17,620,000
Series 2020F serial and term bonds due in annual installments of \$200,000 to \$400,000, interest from 0.280% to 2.910%, final maturity October 1, 2045	6,440,000	6,685,000
Series 2021A serial and term bonds due in annual installments of \$75,000 to \$900,000, interest from 2.250% to 5.000%, final maturity October 1, 2050	15,115,000	15,335,000
Series 2021B serial and term bonds due in annual installments of \$190,000 to \$805,000, interest from 2.000% to 4.000%, final maturity October 1, 2051	15,195,000	15,405,000
Series 2021C serial and term bonds due in annual installments of \$125,000 to \$1,540,000, interest from 1.000% to 3.000%, final maturity October 1, 2051	20,505,000	20,860,000
Series 2021D serial and term bonds due in annual installments of \$70,000 to \$1,050,000, interest from 1.500% to 5.000%, final maturity October 1, 2051	26,175,000	26,250,000
Series 2022A serial and term bonds due in annual installments of \$150,000 to \$1,565,000, interest from 3.000% to 4.000%, final maturity October 1, 2051	28,500,000	28,960,000
Series 2022B serial and term bonds due in annual installments of \$1,140,000 to \$4,780,000, interest from 4.000% to 5.000%, final maturity October 1, 2051	73,205,000	74,465,000
Series 2023A serial and term bonds due in annual installments of \$340,000 to \$2,025,000, interest from 4.000% to 5.000%, final maturity October 1, 2053	46,030,000	46,370,000
Series 2023B serial and term bonds due in annual installments of \$3,845,000 to \$8,605,000, interest from 4.000% to 5.000%, final maturity October 1, 2053	170,010,000	174,670,000
Series 2023C serial and term bonds due in annual installments of \$75,000 to \$2,975,000, interest from 5.000% to 5.250%, final maturity October 1, 2053	43,400,000	43,475,000
Series 2024A serial and term bonds due in annual installments of \$70,000 to \$8,540,000, interest from 4.000% to 5.000%, final maturity October 1, 2053	84,415,000	84,485,000
Series 2024B serial and term bonds due in annual installments of \$120,000 to \$5,925,000, interest from 4.250% to 5.250%, final maturity October 1, 2054	102,550,000	102,670,000

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	<u>2025</u>	<u>2024</u>
Series 2024C serial and term bonds due in annual installments of \$1,180,000 to \$6,510,000, interest from 4.000% to 5.000%, final maturity October 1, 2054	112,785,000	-
Series 2025A serial and term bonds due in annual installments of \$210,000 to \$1,795,000, interest from 4.000% to 5.000%, final maturity October 1, 2054	29,570,000	-
Total Bonds Outstanding	<u>\$ 1,120,715,000</u>	<u>\$ 1,000,220,000</u>
Current portion	\$ 23,770,000	\$ 21,860,000
Long-term portion	1,096,945,000	978,360,000
Gross amount	<u>\$ 1,120,715,000</u>	<u>\$ 1,000,220,000</u>

Future debt service payments required by the serial and term bonds as of June 30, 2025, were developed using scheduled maturities for fixed rate bonds. Future debt service payments required by the Program's serial and term bonds as of June 30, 2025, are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 23,770,000	\$ 45,783,111	\$ 69,553,111
2027	26,580,000	44,716,466	71,296,466
2028	28,210,000	43,606,596	71,816,596
2029	29,590,000	42,432,888	72,022,888
2030	32,080,000	41,179,290	73,259,290
2031-2035	187,710,000	184,022,378	371,732,378
2036-2040	202,750,000	143,157,004	345,907,004
2041-2045	206,060,000	101,569,369	307,629,369
2049-2050	220,660,000	57,407,428	278,067,428
2051-2055	163,305,000	14,563,004	177,868,004
Total	<u>\$ 1,120,715,000</u>	<u>\$ 718,437,534</u>	<u>\$ 1,839,152,534</u>

Interest on the bonds is payable semiannually.

In addition to their normal scheduled maturity dates as shown above, the bonds may be redeemed at the option of the Board, in whole or in part, on any interest payment date for their principal amount plus accrued interest to the date of redemption.

The Bonds share in an aggregate debt service reserve. At June 30, 2025 and 2024, the aggregate debt service reserves totaled \$40,472,685 and \$27,785,898, respectively, which is reflected in the 2016 Debt Service Reserve Fund.

8. Transfers

In FY 2025, the Program received transfers of \$296,562 from the 1986 General Bond Resolution Program for funding the reserve account and received transfers of \$233,299 from the FAP Admin. Program to fund the arbitrage liability. The Program transferred \$1,348,226 for emergency grants.

In FY 2024, the Program received transfers of \$1,424,764 from the 1986 General Bond Resolution Program for funding the reserve account. The Program transferred \$995,133 for emergency grants.

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PROGRAM REVENUE BONDS

SUPPLEMENTAL INFORMATION
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<u>ASSETS</u>	2016A Series	2017A Series	2017B Series	2017C Series	2018A Series	2018B Series	2018C Series	2018D Series	2019A Series	2019B Series	2019C Series
Current Assets:											
Cash and cash equivalents	\$ 30	\$ 53	\$ 14	\$ 29	\$ 9	\$ 50	\$ 84	\$ 43	\$ 96	\$ 28	\$ 50
Current portion of notes receivable	450,000	940,000	305,000	1,255,000	455,000	1,515,000	965,000	455,000	1,025,000	310,000	500,000
Interest receivable:											
Notes receivable	135,148	287,070	59,019	175,935	32,423	234,928	386,133	225,501	463,542	132,683	239,103
Other	-	-	-	-	-	-	-	-	-	-	-
Total current assets	585,178	1,227,123	364,033	1,430,964	487,432	1,749,978	1,351,217	680,544	1,488,638	442,711	739,153
Noncurrent Assets:											
Notes receivable, net of current portion	12,920,000	22,710,000	6,105,000	15,785,000	3,585,000	20,945,000	37,095,000	18,815,000	42,045,000	12,120,000	21,935,000
Cash and cash equivalents, restricted	-	-	-	-	-	-	-	-	-	-	-
Restricted investments	-	-	-	-	-	-	-	-	-	-	-
Total noncurrent assets	12,920,000	22,710,000	6,105,000	15,785,000	3,585,000	20,945,000	37,095,000	18,815,000	42,045,000	12,120,000	21,935,000
Total assets	13,505,178	23,937,123	6,469,033	17,215,964	4,072,432	22,694,978	38,446,217	19,495,544	43,533,638	12,562,711	22,674,153
<u>LIABILITIES</u>											
Current Liabilities:											
Accrued interest payable	128,463	275,245	55,814	169,558	30,403	223,719	367,103	215,869	442,013	126,469	227,888
Current maturities of long-term debt	450,000	940,000	305,000	1,255,000	455,000	1,515,000	965,000	455,000	1,025,000	310,000	500,000
Arbitrage rebate payable	-	-	-	-	-	-	-	-	-	-	-
Other accrued liabilities	6,672	11,801	3,303	6,360	2,197	11,207	18,992	9,616	22,891	6,203	10,952
Total current liabilities	585,135	1,227,046	364,117	1,430,918	487,600	1,749,926	1,351,095	680,485	1,489,904	442,672	738,840
Noncurrent Liabilities:											
Long-term debt, less current maturities	12,920,000	22,710,000	6,105,000	15,785,000	3,585,000	20,945,000	37,095,000	18,815,000	42,045,000	12,120,000	21,935,000
Total noncurrent liabilities	12,920,000	22,710,000	6,105,000	15,785,000	3,585,000	20,945,000	37,095,000	18,815,000	42,045,000	12,120,000	21,935,000
Total liabilities	13,505,135	23,937,046	6,469,117	17,215,918	4,072,600	22,694,926	38,446,095	19,495,485	43,534,904	12,562,672	22,673,840
<u>NET POSITION</u>											
Restricted for debt service	-	-	-	-	-	-	-	-	-	-	-
Unrestricted (deficit)	43	77	(84)	46	(168)	52	122	59	(1,266)	39	313
Total net position	\$ 43	\$ 77	\$ (84)	\$ 46	\$ (168)	\$ 52	\$ 122	\$ 59	\$ (1,266)	\$ 39	\$ 313

(continued)

OKLAHOMA WATER RESOURCES BOARD STATE LOAN
PROGRAM REVENUE BONDS

SUPPLEMENTAL INFORMATION
COMBINING STATEMENTS OF NET POSITION
2016 GENERAL BOND RESOLUTION STATE LOAN PROGRAM
June 30, 2025

<u>ASSETS</u>	2020A Series	2020B Series	2020C Series	2020D Series	2020E Series	2020F Series	2021A Series	2021B Series	2021C Series	2021D Series	2022A Series
Current Assets:											
Cash and cash equivalents	\$ 51	\$ 53	\$ 16	\$ 69	\$ 38	\$ 14	\$ 5,557	\$ 2,975	\$ 23,243	\$ 43,646	\$ 38,450
Current portion of notes receivable	805,000	475,000	160,000	2,380,000	205,000	245,000	255,000	225,000	370,000	510,000	480,000
Interest receivable:											
Notes receivable	297,099	142,332	76,493	240,991	128,613	40,968	150,007	114,071	130,750	228,362	280,450
Other	-	-	-	-	-	-	18	10	75	140	123
Total current assets	<u>1,102,150</u>	<u>617,385</u>	<u>236,509</u>	<u>2,621,060</u>	<u>333,651</u>	<u>285,982</u>	<u>410,582</u>	<u>342,056</u>	<u>524,068</u>	<u>782,148</u>	<u>799,023</u>
Noncurrent Assets:											
Notes receivable, net of current portion	30,990,000	24,050,000	7,125,000	41,180,000	17,215,000	6,195,000	14,860,000	14,970,000	20,135,000	25,665,000	28,020,000
Cash and cash equivalents, restricted	-	-	-	-	-	-	-	-	-	-	-
Restricted investments	-	-	-	-	-	-	-	-	-	-	-
Total noncurrent assets	<u>30,990,000</u>	<u>24,050,000</u>	<u>7,125,000</u>	<u>41,180,000</u>	<u>17,215,000</u>	<u>6,195,000</u>	<u>14,860,000</u>	<u>14,970,000</u>	<u>20,135,000</u>	<u>25,665,000</u>	<u>28,020,000</u>
Total assets	<u>32,092,150</u>	<u>24,667,385</u>	<u>7,361,509</u>	<u>43,801,060</u>	<u>17,548,651</u>	<u>6,480,982</u>	<u>15,270,582</u>	<u>15,312,056</u>	<u>20,659,068</u>	<u>26,447,148</u>	<u>28,819,023</u>
<u>LIABILITIES</u>											
Current Liabilities:											
Accrued interest payable	285,573	130,069	72,850	225,201	119,903	37,748	142,450	106,473	120,497	215,274	266,200
Current maturities of long-term debt	805,000	475,000	160,000	2,380,000	205,000	245,000	255,000	225,000	370,000	510,000	480,000
Arbitrage rebate payable	-	-	-	-	-	-	5,438	2,896	22,353	34,698	31,402
Other accrued liabilities	11,494	12,238	3,711	15,747	8,692	3,317	7,542	7,582	10,232	13,061	14,222
Total current liabilities	<u>1,102,067</u>	<u>617,307</u>	<u>236,561</u>	<u>2,620,948</u>	<u>333,595</u>	<u>286,065</u>	<u>410,430</u>	<u>341,951</u>	<u>523,082</u>	<u>773,033</u>	<u>791,824</u>
Noncurrent Liabilities:											
Long-term debt, less current maturities	<u>30,990,000</u>	<u>24,050,000</u>	<u>7,125,000</u>	<u>41,180,000</u>	<u>17,215,000</u>	<u>6,195,000</u>	<u>14,860,000</u>	<u>14,970,000</u>	<u>20,135,000</u>	<u>25,665,000</u>	<u>28,020,000</u>
Total noncurrent liabilities	<u>30,990,000</u>	<u>24,050,000</u>	<u>7,125,000</u>	<u>41,180,000</u>	<u>17,215,000</u>	<u>6,195,000</u>	<u>14,860,000</u>	<u>14,970,000</u>	<u>20,135,000</u>	<u>25,665,000</u>	<u>28,020,000</u>
Total liabilities	<u>32,092,067</u>	<u>24,667,307</u>	<u>7,361,561</u>	<u>43,800,948</u>	<u>17,548,595</u>	<u>6,481,065</u>	<u>15,270,430</u>	<u>15,311,951</u>	<u>20,658,082</u>	<u>26,438,033</u>	<u>28,811,824</u>
<u>NET POSITION</u>											
Restricted for debt service	-	-	-	-	-	-	-	-	-	-	-
Unrestricted (deficit)	<u>83</u>	<u>78</u>	<u>(52)</u>	<u>112</u>	<u>56</u>	<u>(83)</u>	<u>152</u>	<u>105</u>	<u>986</u>	<u>9,115</u>	<u>7,199</u>
Total net position	<u>\$ 83</u>	<u>\$ 78</u>	<u>\$ (52)</u>	<u>\$ 112</u>	<u>\$ 56</u>	<u>\$ (83)</u>	<u>\$ 152</u>	<u>\$ 105</u>	<u>\$ 986</u>	<u>\$ 9,115</u>	<u>\$ 7,199</u>

(continued)

**OKLAHOMA WATER RESOURCES BOARD STATE LOAN
PROGRAM REVENUE BONDS**

**SUPPLEMENTAL INFORMATION
COMBINING STATEMENTS OF NET POSITION
2016 GENERAL BOND RESOLUTION STATE LOAN PROGRAM
June 30, 2025**

<u>ASSETS</u>	2022B Series	2023A Series	2023B Series	2023C Series	2024A Series	2024B Series	2024C Series	2025 Series	2016 Debt Service Reserve Fund	Totals
Current Assets:										
Cash and cash equivalents	\$ 26,545	\$ 27,779	\$ 89,796	\$ 97	\$ 186	\$ 338	\$ 761	\$ -	\$ -	\$ 260,100
Current portion of notes receivable	1,325,000	615,000	5,100,000	570,000	110,000	375,000	1,180,000	210,000	-	23,770,000
Interest receivable:										
Notes receivable	926,076	543,111	2,014,755	572,088	968,153	1,252,333	1,277,418	395,316	-	12,150,871
Other	85	89	288	-	-	1	2	-	21,146	21,977
				-	-					
Total current assets	<u>2,277,706</u>	<u>1,185,979</u>	<u>7,204,839</u>	<u>1,142,185</u>	<u>1,078,339</u>	<u>1,627,672</u>	<u>2,458,181</u>	<u>605,316</u>	<u>21,146</u>	<u>36,202,948</u>
Noncurrent Assets:										
Notes receivable, net of current portion	71,880,000	45,415,000	164,910,000	42,830,000	84,305,000	102,175,000	111,605,000	29,360,000	-	1,096,945,000
Cash and cash equivalents, restricted	-	-	-	-	-	-	-	-	2,659,846	2,659,846
Restricted investments	-	-	-	-	-	-	-	-	37,791,693	37,791,693
Total noncurrent assets	<u>71,880,000</u>	<u>45,415,000</u>	<u>164,910,000</u>	<u>42,830,000</u>	<u>84,305,000</u>	<u>102,175,000</u>	<u>111,605,000</u>	<u>29,360,000</u>	<u>40,451,539</u>	<u>1,137,396,539</u>
Total assets	<u>74,157,706</u>	<u>46,600,979</u>	<u>172,114,839</u>	<u>43,972,185</u>	<u>85,383,339</u>	<u>103,802,672</u>	<u>114,063,181</u>	<u>29,965,316</u>	<u>40,472,685</u>	<u>1,173,599,487</u>
<u>LIABILITIES</u>										
Current Liabilities:										
Accrued interest payable	889,475	520,094	1,929,750	550,388	925,945	1,201,058	1,221,025	378,560	-	11,601,077
Current maturities of long-term debt	1,325,000	615,000	5,100,000	570,000	110,000	375,000	1,180,000	210,000	-	23,770,000
Arbitrage rebate payable	25,970	22,526	84,835	-	-	-	-	-	-	230,118
Other accrued liabilities	36,529	22,969	88,016	21,692	42,123	51,172	56,280	16,215	-	553,028
Total current liabilities	<u>2,276,974</u>	<u>1,180,589</u>	<u>7,202,601</u>	<u>1,142,080</u>	<u>1,078,068</u>	<u>1,627,230</u>	<u>2,457,305</u>	<u>604,775</u>	<u>-</u>	<u>36,154,223</u>
Noncurrent Liabilities:										
Long-term debt, less current maturities	71,880,000	45,415,000	164,910,000	42,830,000	84,305,000	102,175,000	111,605,000	29,360,000	-	1,096,945,000
Total noncurrent liabilities	<u>71,880,000</u>	<u>45,415,000</u>	<u>164,910,000</u>	<u>42,830,000</u>	<u>84,305,000</u>	<u>102,175,000</u>	<u>111,605,000</u>	<u>29,360,000</u>	<u>-</u>	<u>1,096,945,000</u>
Total liabilities	<u>74,156,974</u>	<u>46,595,589</u>	<u>172,112,601</u>	<u>43,972,080</u>	<u>85,383,068</u>	<u>103,802,230</u>	<u>114,062,305</u>	<u>29,964,775</u>	<u>-</u>	<u>1,133,099,223</u>
<u>NET POSITION</u>										
Restricted for debt service	-	-	-	-	-	-	-	-	40,472,685	40,472,685
Unrestricted (deficit)	732	5,390	2,238	105	271	442	876	541	-	27,579
Total net position	<u>\$ 732</u>	<u>\$ 5,390</u>	<u>\$ 2,238</u>	<u>\$ 105</u>	<u>\$ 271</u>	<u>\$ 442</u>	<u>\$ 876</u>	<u>\$ 541</u>	<u>\$ 40,472,685</u>	<u>\$ 40,500,264</u>

**OKLAHOMA WATER RESOURCES BOARD STATE LOAN
PROGRAM REVENUE BONDS**

**SUPPLEMENTAL INFORMATION
COMBINING STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
2016 General Bond Resolution State Loan Program
For the Year Ended June 30, 2025**

	2016A Series	2017A Series	2017B Series	2017C Series	2018A Series	2018B Series	2018C Series	2018D Series	2019A Series	2019B Series	2019C Series
REVENUES											
Operating revenues:											
Loan program income	\$ 544,070	\$ 1,155,601	\$ 238,436	\$ 710,292	\$ 135,413	\$ 951,347	\$ 1,556,427	\$ 904,604	\$ 1,864,456	\$ 534,567	\$ 962,587
Grant income	-	-	-	-	-	-	-	-	-	-	-
Total operating revenues	<u>544,070</u>	<u>1,155,601</u>	<u>238,436</u>	<u>710,292</u>	<u>135,413</u>	<u>951,347</u>	<u>1,556,427</u>	<u>904,604</u>	<u>1,864,456</u>	<u>534,567</u>	<u>962,587</u>
EXPENSES											
Operating Expenses:											
Trustee fees	1,752	3,104	937	2,241	1,250	2,949	4,978	2,512	5,599	1,626	2,937
Administration fees	28,835	51,191	12,916	27,510	8,121	47,406	78,507	38,995	87,336	25,085	45,132
Interest expense	517,112	1,107,844	225,469	684,331	127,113	906,063	1,479,850	865,975	1,777,850	509,563	917,488
Other expense	-	-	313	-	-	-	-	-	-	-	-
Total operating expenses	<u>547,699</u>	<u>1,162,139</u>	<u>239,635</u>	<u>714,082</u>	<u>136,484</u>	<u>956,418</u>	<u>1,563,335</u>	<u>907,482</u>	<u>1,870,785</u>	<u>536,274</u>	<u>965,557</u>
Operating income (loss)	<u>(3,629)</u>	<u>(6,538)</u>	<u>(1,199)</u>	<u>(3,790)</u>	<u>(1,071)</u>	<u>(5,071)</u>	<u>(6,908)</u>	<u>(2,878)</u>	<u>(6,329)</u>	<u>(1,707)</u>	<u>(2,970)</u>
NONOPERATING REVENUES (EXPENSES)											
Other interest income	1,630	3,731	1,007	3,676	1,055	3,515	4,465	1,970	5,095	1,486	2,749
Other income	-	-	-	-	-	-	-	-	-	-	-
Net nonoperating revenues	<u>1,630</u>	<u>3,731</u>	<u>1,007</u>	<u>3,676</u>	<u>1,055</u>	<u>3,515</u>	<u>4,465</u>	<u>1,970</u>	<u>5,095</u>	<u>1,486</u>	<u>2,749</u>
Income (loss) before transfers	<u>(1,999)</u>	<u>(2,807)</u>	<u>(192)</u>	<u>(114)</u>	<u>(16)</u>	<u>(1,556)</u>	<u>(2,443)</u>	<u>(908)</u>	<u>(1,234)</u>	<u>(221)</u>	<u>(221)</u>
Transfers from Oklahoma Water Resources Board	-	-	-	-	-	-	-	-	-	-	-
Transfers (to) from Oklahoma Water Resources Board	-	-	-	-	-	-	-	-	-	-	-
Change in net position	<u>(1,999)</u>	<u>(2,807)</u>	<u>(192)</u>	<u>(114)</u>	<u>(16)</u>	<u>(1,556)</u>	<u>(2,443)</u>	<u>(908)</u>	<u>(1,234)</u>	<u>(221)</u>	<u>(221)</u>
NET POSITION											
Net position, beginning of year	<u>2,042</u>	<u>2,884</u>	<u>108</u>	<u>160</u>	<u>(152)</u>	<u>1,608</u>	<u>2,565</u>	<u>967</u>	<u>(32)</u>	<u>260</u>	<u>534</u>
Net position, end of year	<u>\$ 43</u>	<u>\$ 77</u>	<u>\$ (84)</u>	<u>\$ 46</u>	<u>\$ (168)</u>	<u>\$ 52</u>	<u>\$ 122</u>	<u>\$ 59</u>	<u>\$ (1,266)</u>	<u>\$ 39</u>	<u>\$ 313</u>

(continued)

**OKLAHOMA WATER RESOURCES BOARD STATE LOAN
PROGRAM REVENUE BONDS**

**SUPPLEMENTAL INFORMATION
COMBINING STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
2016 General Bond Resolution State Loan Program
For the Year Ended June 30, 2025**

	2020A Series	2020B Series	2020C Series	2020D Series	2020E Series	2020F Series	2021A Series	2021B Series	2021C Series	2021D Series	2022A Series
REVENUES											
Operating revenues:											
Loan program income	\$ 1,224,870	\$ 570,258	\$ 307,597	\$ 968,950	\$ 516,553	\$ 164,462	\$ 602,890	\$ 458,489	\$ 524,063	\$ 913,859	\$ 1,126,630
Grant income	-	-	-	-	-	-	-	-	-	-	-
Total operating revenues	1,224,870	570,258	307,597	968,950	516,553	164,462	602,890	458,489	524,063	913,859	1,126,630
EXPENSES											
Operating Expenses:											
Trustee fees	4,248	3,204	1,250	5,740	2,271	1,250	1,972	1,982	2,677	3,405	3,720
Administration fees	52,282	47,989	14,229	64,619	33,989	12,494	29,862	29,773	40,174	50,875	56,503
Interest expense	1,177,491	520,973	292,950	904,932	481,612	151,459	572,550	427,994	482,875	861,472	1,069,400
Other expense	-	-	-	-	-	-	5,438	2,896	21,890	26,765	25,234
Total operating expenses	1,234,021	572,166	308,429	975,291	517,872	165,203	609,822	462,645	547,616	942,517	1,154,857
Operating income (loss)	(9,151)	(1,908)	(832)	(6,341)	(1,319)	(741)	(6,932)	(4,156)	(23,553)	(28,658)	(28,227)
NONOPERATING REVENUES (EXPENSES)											
Other interest income	9,140	1,906	826	6,333	1,318	732	1,596	1,315	2,114	2,944	3,893
Other income	-	-	-	-	-	-	-	-	-	-	-
Net nonoperating revenues	9,140	1,906	826	6,333	1,318	732	1,596	1,315	2,114	2,944	3,893
Income (loss) before transfers	(11)	(2)	(6)	(8)	(1)	(9)	(5,336)	(2,841)	(21,439)	(25,714)	(24,334)
Transfers from Oklahoma Water Resources Board	-	-	-	-	-	-	-	-	-	-	-
Transfers (to) from Oklahoma Water Resources Board	-	-	-	-	-	-	5,438	2,896	22,353	34,697	31,402
Change in net position	(11)	(2)	(6)	(8)	(1)	(9)	102	55	914	8,983	7,068
NET POSITION											
Net position, end of year	94	80	(46)	120	57	(74)	50	50	72	132	131
Net position, end of year	\$ 83	\$ 78	\$ (52)	\$ 112	\$ 56	\$ (83)	\$ 152	\$ 105	\$ 986	\$ 9,115	\$ 7,199

(continued)

**OKLAHOMA WATER RESOURCES BOARD STATE LOAN
PROGRAM REVENUE BONDS**

**SUPPLEMENTAL INFORMATION
COMBINING STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
2016 General Bond Resolution State Loan Program
For the Year Ended June 30, 2025**

	2022B Series	2023A Series	2023B Series	2023C Series	2024A Series	2024B Series	2024C Series	2025 Series	2016 Debt Service Reserve Fund	Totals
REVENUES										
Operating revenues:										
Loan program income	\$ 3,720,686	\$ 2,176,864	\$ 8,119,600	\$ 2,289,325	\$ 3,873,521	\$ 5,024,824	\$ 3,718,704	\$ 395,316	\$ -	\$ 46,255,261
Grant income	-	-	-	-	-	-	-	-	10,000,000	10,000,000
Total operating revenues	<u>3,720,686</u>	<u>2,176,864</u>	<u>8,119,600</u>	<u>2,289,325</u>	<u>3,873,521</u>	<u>5,024,824</u>	<u>3,718,704</u>	<u>395,316</u>	<u>10,000,000</u>	<u>56,255,261</u>
EXPENSES										
Operating Expenses:										
Trustee fees	9,558	5,995	22,253	5,644	9,925	13,664	10,615	581	-	139,839
Administration fees	146,173	90,931	566,684	118,542	165,661	199,650	157,012	15,634	-	2,344,110
Interest expense	3,573,650	2,084,625	7,777,250	2,202,488	3,704,656	4,819,093	3,554,540	378,560	-	44,157,228
Other expense	25,970	17,969	88,016	-	-	-	-	-	-	214,491
Total operating expenses	<u>3,755,351</u>	<u>2,199,520</u>	<u>8,454,203</u>	<u>2,326,674</u>	<u>3,880,242</u>	<u>5,032,407</u>	<u>3,722,167</u>	<u>394,775</u>	<u>-</u>	<u>46,855,668</u>
Operating income (loss)	<u>(34,665)</u>	<u>(22,656)</u>	<u>(334,603)</u>	<u>(37,349)</u>	<u>(6,721)</u>	<u>(7,583)</u>	<u>(3,463)</u>	<u>541</u>	<u>10,000,000</u>	<u>9,399,593</u>
NONOPERATING REVENUES (EXPENSES)										
Other interest income	9,186	5,320	27,870	4,701	7,871	7,579	3,828	-	3,738,451	3,867,302
Other income	-	-	-	-	-	-	511	-	-	511
Net nonoperating revenues	<u>9,186</u>	<u>5,320</u>	<u>27,870</u>	<u>4,701</u>	<u>7,871</u>	<u>7,579</u>	<u>4,339</u>	<u>-</u>	<u>3,738,451</u>	<u>3,867,813</u>
Income (loss) before transfers	<u>(25,479)</u>	<u>(17,336)</u>	<u>(306,733)</u>	<u>(32,648)</u>	<u>1,150</u>	<u>(4)</u>	<u>876</u>	<u>541</u>	<u>13,738,451</u>	<u>13,267,406</u>
Transfers from Oklahoma Water Resources Board	-	-	-	-	-	-	-	-	(1,348,226)	(1,348,226)
Transfers (to) from Oklahoma Water Resources Board	25,970	22,527	88,016	-	-	-	-	-	296,562	529,861
Change in net position	<u>491</u>	<u>5,191</u>	<u>(218,717)</u>	<u>(32,648)</u>	<u>1,150</u>	<u>(4)</u>	<u>876</u>	<u>541</u>	<u>12,686,787</u>	<u>12,449,041</u>
NET POSITION										
Net position, end of year	<u>241</u>	<u>199</u>	<u>220,955</u>	<u>32,753</u>	<u>(879)</u>	<u>446</u>	<u>-</u>	<u>-</u>	<u>27,785,898</u>	<u>28,051,223</u>
Net position, end of year	<u>\$ 732</u>	<u>\$ 5,390</u>	<u>\$ 2,238</u>	<u>\$ 105</u>	<u>\$ 271</u>	<u>\$ 442</u>	<u>\$ 876</u>	<u>\$ 541</u>	<u>\$ 40,472,685</u>	<u>\$ 40,500,264</u>

SUPPLEMENTAL INFORMATION
COMBINING STATEMENTS OF CASH FLOWS
2016 General Bond Resolution State Loan Program
For the Year Ended June 30, 2025

	2016A Series	2017A Series	2017B Series	2017C Bond	2018A Bond	2018B Bond	2018C Bond	2018D Bond	2019A Bond	2019B Bond	2019C Bond
CASH FLOWS FROM OPERATING ACTIVITIES:											
Collections of interest on loans to local governmental units	\$ 547,550	\$ 1,162,921	\$ 240,796	\$ 716,844	\$ 141,133	\$ 962,982	\$ 1,568,322	\$ 907,204	\$ 1,874,746	\$ 538,402	\$ 968,762
Payments from (to) other suppliers	(30,804)	(54,752)	(14,303)	(30,216)	(9,576)	(50,802)	(83,941)	(41,607)	(93,456)	(26,858)	(48,301)
Interest paid on debt	(520,374)	(1,114,707)	(227,682)	(690,430)	(132,613)	(917,250)	(1,491,288)	(868,475)	(1,787,650)	(513,250)	(923,425)
Grant revenue	-	-	-	-	-	-	-	-	-	-	-
Net cash provided by (Used in) operating activities	(3,628)	(6,538)	(1,189)	(3,802)	(1,056)	(5,070)	(6,907)	(2,878)	(6,360)	(1,706)	(2,964)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:											
Transfer from Oklahoma Water Resources Board	-	-	-	-	-	-	-	-	-	-	-
Transfer to Oklahoma Water Resources Board	-	-	-	-	-	-	-	-	-	-	-
Issuance of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Repayments of long-term debt	(435,000)	(915,000)	(295,000)	(1,220,000)	(440,000)	(895,000)	(915,000)	(200,000)	(980,000)	(295,000)	(475,000)
Net cash provided by (Used in) noncapital financing activities	(435,000)	(915,000)	(295,000)	(1,220,000)	(440,000)	(895,000)	(915,000)	(200,000)	(980,000)	(295,000)	(475,000)
CASH FLOWS FROM INVESTING ACTIVITIES:											
Sales (purchase) of investments	-	-	-	-	-	-	-	-	-	-	-
Collection of principal on loans to local governmental units	435,000	915,000	295,000	1,220,000	440,000	895,000	915,000	200,000	980,000	295,000	475,000
Loans to local governments	-	-	-	-	-	-	-	-	-	-	-
Interest income	1,638	3,743	1,007	3,676	1,055	3,521	4,475	1,974	5,100	1,487	2,750
Net cash provided by (used in) investing activities	436,638	918,743	296,007	1,223,676	441,055	898,521	919,475	201,974	985,100	296,487	477,750
Net increase (decrease) in cash and cash equivalents	(1,990)	(2,795)	(182)	(126)	(1)	(1,549)	(2,432)	(904)	(1,260)	(219)	(214)
Cash and cash equivalents, beginning of year	2,020	2,848	196	155	10	1,599	2,516	947	1,356	247	264
Cash and cash equivalents, end of year	\$ 30	\$ 53	\$ 14	29	9	50	84	43	96	28	50
RECONCILIATION OF OPERATING INCOME (LOSS)											
TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:											
Operating income (loss)	\$ (3,629)	\$ (6,538)	\$ (1,199)	\$ (3,790)	\$ (1,071)	\$ (5,071)	\$ (6,908)	\$ (2,878)	\$ (6,329)	\$ (1,707)	\$ (2,970)
Adjustments to reconcile operating income (loss) to net cash provided by (Used in) operating activities:											
Other income	-	-	-	-	-	-	-	-	-	-	-
Changes in operating assets and liabilities-											
Decrease (Increase) Interest receivable	3,480	7,320	2,360	6,552	5,720	11,635	11,895	2,600	10,290	3,835	6,175
Increase (Decrease) Accrued interest payable	(3,262)	(6,863)	(2,213)	(6,099)	(5,500)	(11,187)	(11,438)	(2,500)	(9,800)	(3,687)	(5,937)
Increase (Decrease) Other accrued liabilities	(217)	(457)	(137)	(465)	(205)	(447)	(456)	(100)	(521)	(147)	(232)
Net cash provided by (used in) operating activities	\$ (3,628)	\$ (6,538)	\$ (1,189)	(3,802)	(1,056)	(5,070)	(6,907)	(2,878)	(6,360)	(1,706)	(2,964)

(continued)

SUPPLEMENTAL INFORMATION
COMBINING STATEMENTS OF CASH FLOWS
2016 General Bond Resolution State Loan Program
For the Year Ended June 30, 2025

	<u>2020A Bond</u>	<u>2020B Bond</u>	<u>2020C Bond</u>	<u>2020D Bond</u>	<u>2020E Bond</u>	<u>2020F Bond</u>	<u>2021A Bond</u>	<u>2021B Bond</u>
CASH FLOWS FROM OPERATING ACTIVITIES:								
Collections of interest on loans to local governmental units	\$ 1,261,345	\$ 571,190	\$ 309,224	\$ 973,936	\$ 518,653	\$ 165,050	\$ 605,751	\$ 460,694
Payments from (to) other suppliers	(57,802)	(51,428)	(15,551)	(71,212)	(36,360)	(13,858)	(31,944)	(31,860)
Interest paid on debt	(1,212,691)	(521,670)	(294,500)	(909,062)	(483,612)	(151,925)	(575,300)	(430,094)
Due from other funds	-	-	-	-	-	-	-	-
Net cash provided by (Used in) operating activities	<u>(9,148)</u>	<u>(1,908)</u>	<u>(827)</u>	<u>(6,338)</u>	<u>(1,319)</u>	<u>(733)</u>	<u>(1,493)</u>	<u>(1,260)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:								
Transfer from Oklahoma Water Resources Board	-	-	-	-	-	-	5,438	2,896
Transfer (to) from Oklahoma Water Resources Board	-	-	-	-	-	-	-	-
Issuance of long-term debt	-	-	-	-	-	-	-	-
Repayments of long-term debt	<u>(3,520,000)</u>	<u>(470,000)</u>	<u>(155,000)</u>	<u>(2,360,000)</u>	<u>(200,000)</u>	<u>(245,000)</u>	<u>(220,000)</u>	<u>(210,000)</u>
Net cash provided by (Used in) noncapital financing activities	<u>(3,520,000)</u>	<u>(470,000)</u>	<u>(155,000)</u>	<u>(2,360,000)</u>	<u>(200,000)</u>	<u>(245,000)</u>	<u>(214,562)</u>	<u>(207,104)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:								
Sales of investments	-	-	-	-	-	-	-	-
Collection of principal on loans to local governmental units	3,520,000	470,000	155,000	2,360,000	200,000	245,000	220,000	210,000
Loans to local governments	-	-	-	-	-	-	-	-
Interest income	<u>9,140</u>	<u>1,906</u>	<u>826</u>	<u>6,333</u>	<u>1,318</u>	<u>732</u>	<u>1,578</u>	<u>1,305</u>
Net cash provided by (used in) investing activities	<u>3,529,140</u>	<u>471,906</u>	<u>155,826</u>	<u>2,366,333</u>	<u>201,318</u>	<u>245,732</u>	<u>221,578</u>	<u>211,305</u>
Net increase (decrease) in cash and cash equivalents	(8)	(2)	(1)	(5)	(1)	(1)	5,523	2,941
Cash and cash equivalents, beginning of year	<u>59</u>	<u>55</u>	<u>17</u>	<u>74</u>	<u>39</u>	<u>15</u>	<u>34</u>	<u>34</u>
Cash and cash equivalents, end of year	<u>51</u>	<u>53</u>	<u>16</u>	<u>69</u>	<u>38</u>	<u>14</u>	<u>5,557</u>	<u>2,975</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:								
Operating income (loss)	\$ (9,151)	\$ (1,908)	\$ (832)	\$ (6,341)	\$ (1,319)	\$ (741)	\$ (6,932)	\$ (4,156)
Adjustments to reconcile operating income (loss) to net cash provided by (Used in) operating activities:								
Amortization of bond discount/premium	-	-	-	-	-	-	-	-
Changes in operating assets and liabilities-								
Decrease (Increase) Interest receivable	36,475	932	1,627	4,986	2,100	588	2,861	2,205
Increase (Decrease) Accrued interest payable	(35,200)	(697)	(1,550)	(4,130)	(2,000)	(466)	(2,750)	(2,100)
Increase (Decrease) Other accrued liabilities	<u>(1,272)</u>	<u>(235)</u>	<u>(72)</u>	<u>(853)</u>	<u>(100)</u>	<u>(114)</u>	<u>5,328</u>	<u>2,791</u>
Net cash provided by (used in) operating activities	<u>(9,148)</u>	<u>(1,908)</u>	<u>(827)</u>	<u>(6,338)</u>	<u>(1,319)</u>	<u>(733)</u>	<u>(1,493)</u>	<u>(1,260)</u>

(continued)

**OKLAHOMA WATER RESOURCES BOARD STATE LOAN
PROGRAM REVENUE BONDS**

**SUPPLEMENTAL INFORMATION
COMBINING STATEMENTS OF CASH FLOWS
2016 General Bond Resolution State Loan Program
For the Year Ended June 30, 2025**

	2021C Bond	2021D Bond	2022A Bond	2022B Bond	2023A Bond	2023B Bond	2023C Bond	2024A Bond	2024B Bond	2024C Bond	2025 Bond	2016 Debt Service Reserve Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:													
Collections of interest on loans to local governmental units	\$ 525,127	\$ 914,271	\$ 1,131,460	\$ 3,737,066	\$ 2,181,284	\$ 8,180,180	\$ 2,290,299	\$ 4,455,869	\$ 4,092,930	\$ 2,441,797	\$ -	\$ -	\$ 44,445,788
Payments from (to) other suppliers	(43,028)	(54,317)	(60,452)	(156,360)	(97,096)	(591,262)	(124,188)	(201,930)	(174,922)	(111,347)	-	-	(2,409,533)
Interest paid on debt	(483,762)	(861,847)	(1,074,000)	(3,589,400)	(2,088,875)	(7,835,500)	(2,203,425)	(4,261,624)	(3,925,355)	(2,333,515)	-	-	(42,423,301)
Due from other funds	-	-	-	-	-	-	-	-	-	-	-	10,000,000	10,000,000
Net cash provided by (Used in) operating activities	(1,663)	(1,893)	(2,992)	(8,694)	(4,687)	(246,582)	(37,314)	(7,685)	(7,347)	(3,065)	-	10,000,000	9,612,954
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:													
Transfer from Oklahoma Water Resources Board	22,353	34,697	31,402	25,970	22,527	88,016	-	-	-	-	-	296,562	529,861
Transfer (to) from Oklahoma Water Resources Board	-	-	-	-	-	-	-	-	-	-	-	(1,348,226)	(1,348,226)
Issuance of long-term debt	-	-	-	-	-	-	-	-	-	112,785,000	29,570,000	-	142,355,000
Repayments of long-term debt	(355,000)	(75,000)	(460,000)	(1,260,000)	(340,000)	(4,660,000)	(75,000)	(70,000)	(120,000)	-	-	-	(21,860,000)
Net cash provided by (Used in) noncapital financing activities	(332,647)	(40,303)	(428,598)	(1,234,030)	(317,473)	(4,571,984)	(75,000)	(70,000)	(120,000)	112,785,000	29,570,000	(1,051,664)	119,676,635
CASH FLOWS FROM INVESTING ACTIVITIES:													
Sales of investments	-	-	-	-	-	-	-	-	-	-	-	(11,236,555)	(11,236,555)
Collection of principal on loans to local governmental units	355,000	75,000	460,000	1,260,000	340,000	4,660,000	75,000	70,000	120,000	-	-	-	21,860,000
Loans to local governments	-	-	-	-	-	-	-	-	-	(112,785,000)	(29,570,000)	-	(142,355,000)
Interest income	2,041	2,804	3,770	9,101	5,250	28,472	4,832	7,871	7,578	3,826	-	580,267	709,376
Net cash provided by (used in) investing activities	357,041	77,804	463,770	1,269,101	345,250	4,688,472	79,832	77,871	127,578	(112,781,174)	(29,570,000)	(10,656,288)	(131,022,179)
Net increase (decrease) in cash and cash equivalents	22,731	35,608	32,180	26,377	23,090	(130,094)	(32,482)	186	231	761	-	(1,707,952)	(1,732,590)
Cash and cash equivalents, beginning of year	512	8,038	6,270	168	4,689	219,890	32,579	-	107	-	-	4,367,798	4,652,536
Cash and cash equivalents, end of year	23,243	43,646	38,450	26,545	27,779	89,796	97	186	338	761	-	\$ 2,659,846	\$ 2,919,946
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:													
Operating income (loss)	\$ (23,553)	\$ (28,658)	\$ (28,227)	\$ (34,665)	\$ (22,656)	\$ (334,603)	\$ (37,349)	\$ (6,721)	\$ (7,583)	\$ (3,463)	\$ 541	\$ 10,000,000	\$ 9,399,593
Adjustments to reconcile operating income (loss) to net cash provided by (Used in) operating activities:													
Amortization of bond discount/premium	-	-	-	-	-	-	-	-	-	511	-	-	511
Changes in operating assets and liabilities-													
Decrease (Increase) Interest receivable	1,064	412	4,830	16,380	4,420	60,580	974	582,348	(931,894)	(1,277,418)	(395,316)	-	(1,809,984)
Increase (Decrease) Accrued interest payable	(887)	(375)	(4,600)	(15,750)	(4,250)	(58,250)	(937)	(556,968)	893,738	1,221,025	378,560	-	1,733,927
Increase (Decrease) Other accrued liabilities	21,713	26,728	25,005	25,341	17,799	85,691	(2)	(26,344)	38,392	56,280	16,215	-	288,907
Net cash provided by (used in) operating activities	(1,663)	(1,893)	(2,992)	(8,694)	(4,687)	(246,582)	(37,314)	(7,685)	(7,347)	(3,065)	-	\$ 10,000,000	\$ 9,612,954

**OKLAHOMA WATER RESOURCES BOARD
2016 GENERAL BOND RESOLUTION STATE LOAN PROGRAM
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2025**

INTERNAL CONTROL OVER FINANCIAL REPORTING AND COMPLIANCE

**OKLAHOMA WATER RESOURCES BOARD
2016 GENERAL BOND RESOLUTION STAE LOAN PROGRAM
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2025**

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

To the Members of the
Oklahoma Water Resources Board

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Oklahoma Water Resources Board 2016 General Bond Resolution State Loan Program (“the Program”) as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Program’s basic financial statements, and have issued our report thereon dated September 25, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Program’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Program’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Program’s internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Oklahoma City, Oklahoma
September 25, 2025

