

THE STATE OF OKLAHOMA

ACFR 2023



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2023



OKLAHOMA
Office of Management
& Enterprise Services



WILDLIFE DIVERSITY PROGRAM SUPPORTS NONGAME SPECIES

To meet its constitutional expectations to manage and conserve the bird, fish, game and wildlife resources of the state, the Wildlife Department has gathered a large and diverse flock. Biologists maintain fish and wildlife populations and their habitats on the state's Wildlife Management Areas and lakes; game wardens enforce hunting and fishing regulations; a communications team shares stories about those who enjoy the outdoors; and administrative staff manage conservation grant programs and sell licenses to hunters and anglers. Because the Wildlife Department is largely funded by the sale of these hunting and fishing licenses, much of its flock is dedicated to the conservation of game species. But a small wing of the agency, the Wildlife Diversity Program, concentrates its efforts on species that aren't hunted or fished, with a special focus on species considered to be of greatest conservation need.

The Wildlife Diversity Program officially got its start in 1981 when the Oklahoma Legislature opened a revolving fund for the purpose of "preserving, protecting, perpetuating and enhancing nongame wildlife in this state." But the program didn't really take flight until 1983 when the first staff were hired. In the four decades since, the program has added three additional staff members and considerably bolstered the larger Wildlife Department flock by joining forces with dozens of conservation partners. Through these partnerships, fish and wildlife populations have been documented and assessed; a developing base of knowledge has been shared with the public; and nongame conservation priorities have been identified in a statewide comprehensive strategy.

As the Wildlife Department looks to the future, it will continue to lean on this Comprehensive Wildlife Conservation Strategy, which serves as a guiding document for the Wildlife Diversity Program. The strategy not only identifies Oklahoma species that are rare, uncommon or declining, but also identifies their key habitats and conservation issues and proposes a variety of actions that could restore those species and their habitats. By maintaining our strong partnerships with conservation-minded individuals, agencies and organizations and fostering new connections, we believe we can fulfill this strategy and meet our combined goal of conserving Oklahoma's wildlife heritage.

On the cover: It's feeding time for this family of scissor-tailed flycatchers, a species that exemplifies the tremendous diversity of wildlife found in the Sooner State. Photo by Nathaniel Veld.



OKLAHOMA 2023

**Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2023**

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.

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Naturalist E.B. Williamson documented some of Oklahoma's first dragonfly and damselfly records in 1907. Our state's known diversity has since grown from the 22 species collected on his expedition's first day to 176 species today. Photo by Seth Schubert.

Report photos courtesy of the Oklahoma Department of Wildlife Conservation.





September 4, 2024

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, 2023. 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 certified estimated 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. 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, 2023, 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, 2023, 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 appropriations of certified funds, of which the General Revenue Fund is the largest, to 95 percent of the Board of Equalization certified 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

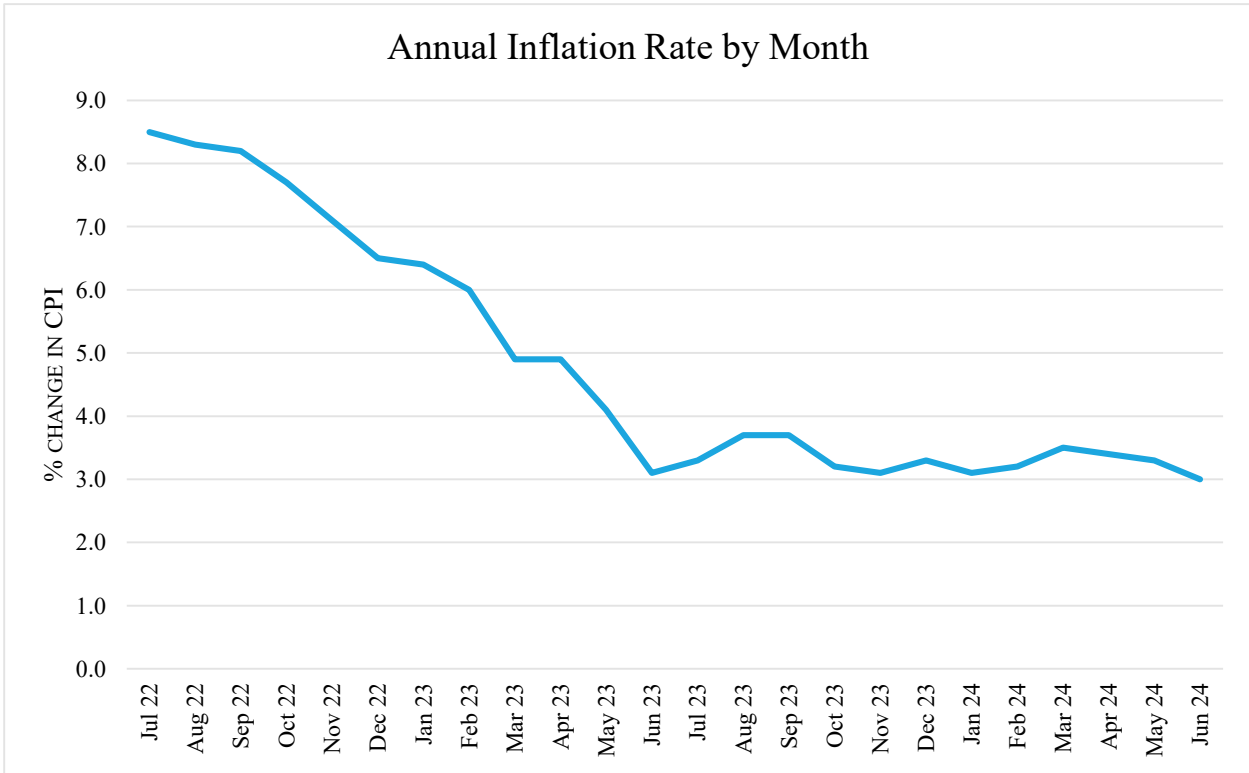
National economic conditions continued to be driven primarily by price inflation and the Federal Reserve's interest rate policy throughout fiscal year 2023.

A combination of fiscal and monetary stimulus policies enacted in response to the pandemic, lingering supply chain disruptions, and shifts in consumer demand have contributed to higher than typical levels of price-inflation (Figure 1).

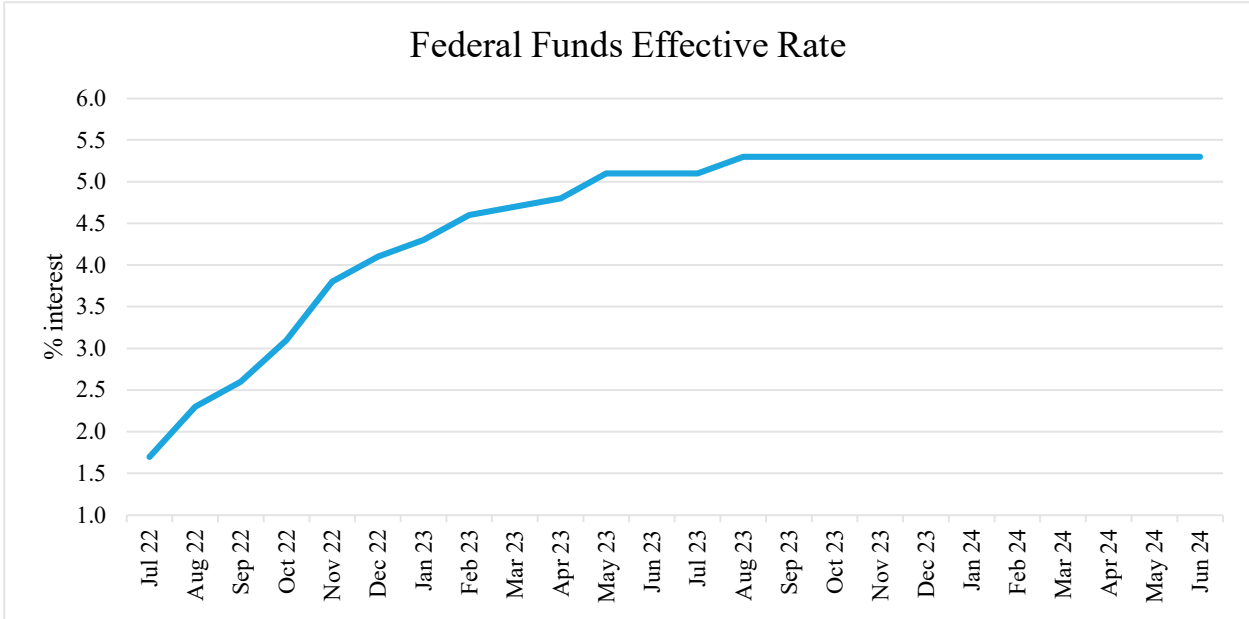
The Federal Reserve responded by raising the Federal Funds Rate to its highest level in recent history. The borrowing rate increased from 0.1% in February 2022 to 5.3% in August 2023 (Figure 2). The Federal Reserve has continued to hold that rate steady.

Following this policy of monetary tightening, the annual inflation rate fell from its June 2022 peak of 9.1% to 3.1% in June 2023. However, inflation has persistently remained above the Federal Reserve's target rate of 2.0%, ranging between 3.1% and 3.7% for the remainder of 2023.

Interest rates are likely to remain elevated until the Federal Reserve achieves its policy objective of 2% inflation, however gradual rate cuts are expected to begin late in calendar year 2024. High interest rates are expected to constrain activity in interest-dependent sectors of the economy, like home and car buying. While a deep recession is not expected, it is likely that the rate of economic growth will slow throughout 2024.



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



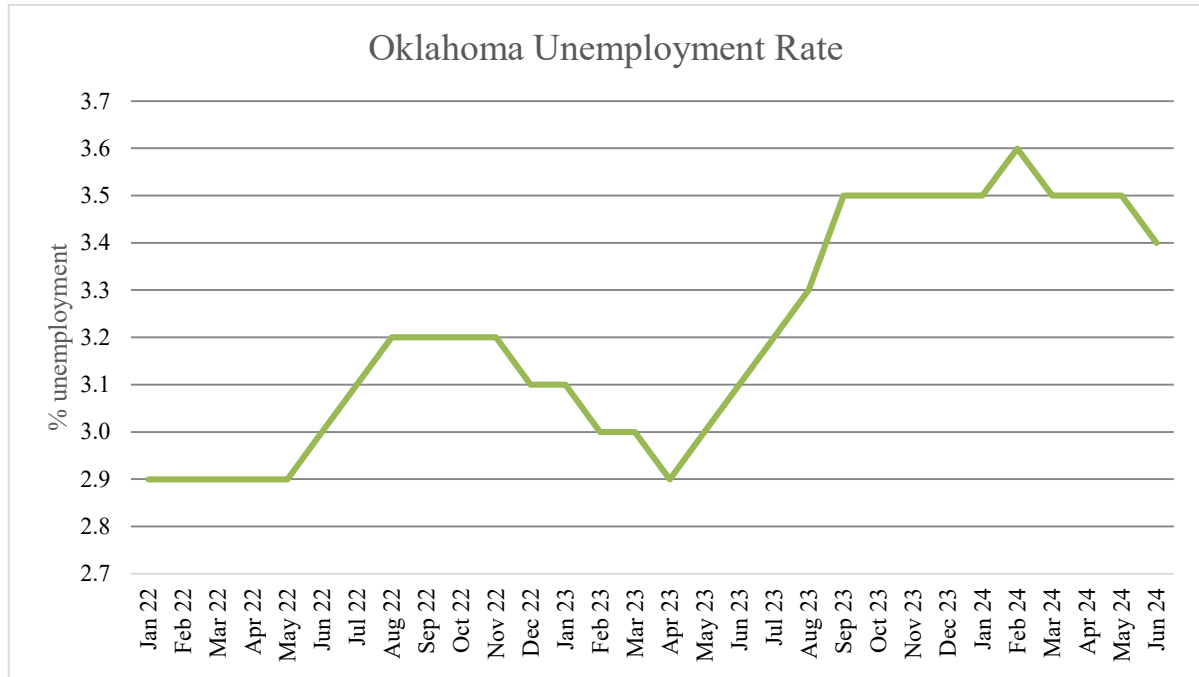
(Figure 2, Source: St. Louis Fed)

Oklahoma's Job Market

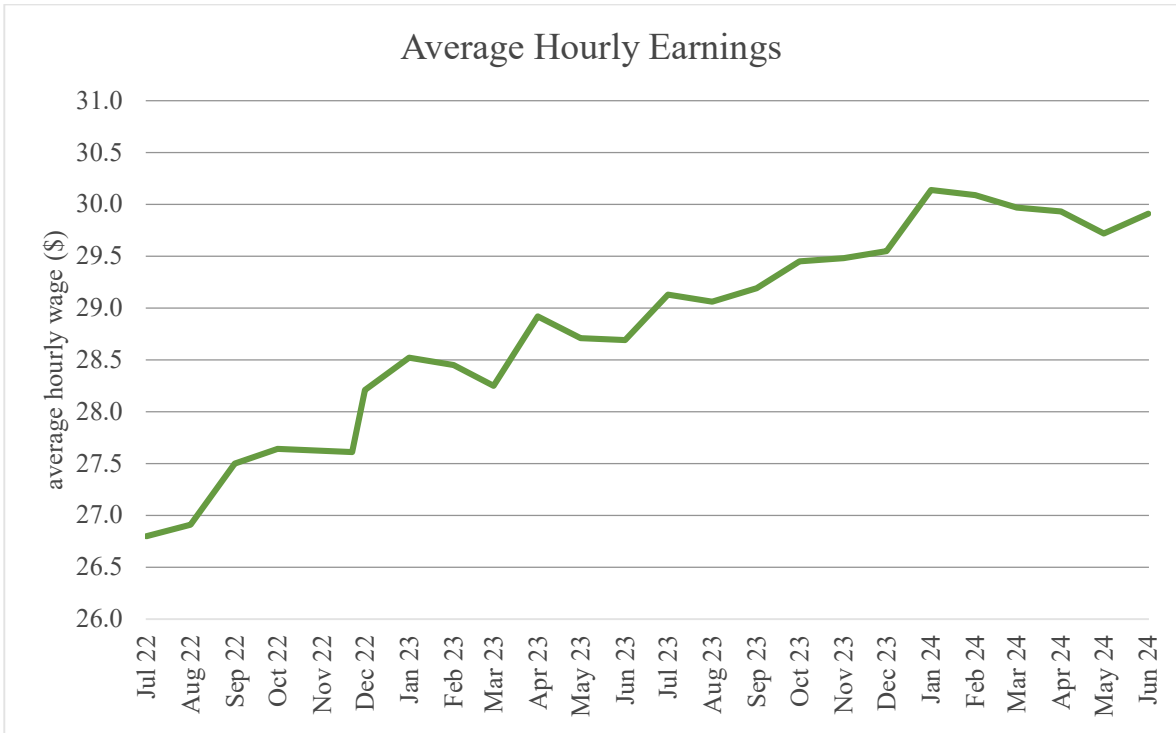
Oklahoma achieved a historically low rate of 2.9% unemployment for the first few months of 2022. However, following national economic trends, unemployment levels rose to a level more in line with pre-pandemic levels of between 3.6% and 3.4% by summer 2024 (Figure 3).

The tight labor market has given rise to consistent growth in wages, with average hourly earnings reaching a historic high of \$30.10 in January 2024 (Figure 4).

Together, high wages and low unemployment drove record growth in general revenue fund collections during 2022 and 2023, primarily due to increases in state sales and income taxes collections. A reversion to more typical pre-pandemic levels of unemployment, historically high wages, and moderated inflation indicates that economic growth is expected to continue throughout 2024, albeit at a slower rate.



(Figure 3, Source: St. Louis Fed)



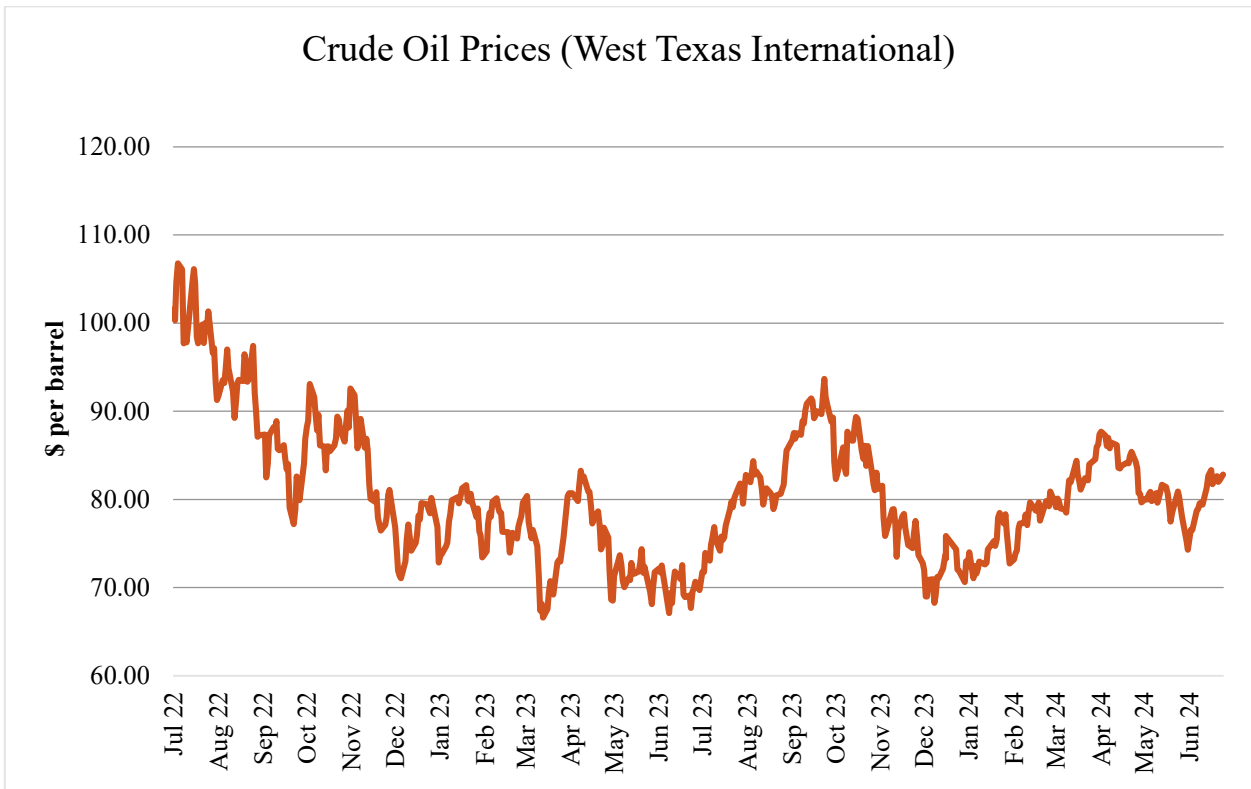
(Figure 4, Source: St. Louis Fed)

Energy Markets

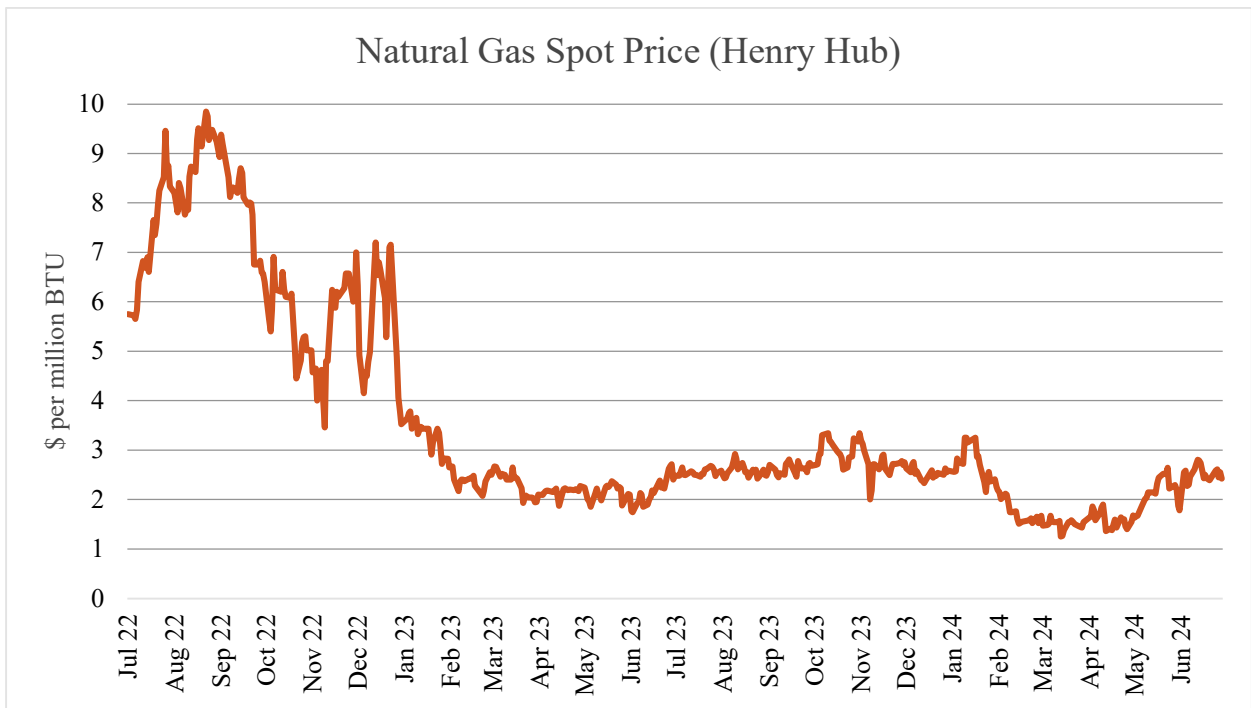
Energy markets trended toward relative stability going into calendar year 2024, compared to the volatility of previous years. By 2022, oil and gas markets had recovered from the supply and demand shocks of the COVID-19 pandemic, as well as the winter ice storms of 2021. Another supply shock, Russia’s invasion of Ukraine in February 2022, resulted in a sudden short-term increase in oil and gas prices.

Oil prices peaked in the summer of 2022, but moderated through the first half of 2024, coinciding with tightening monetary policy (Figure 5). While gas prices trended upwards in early 2022, a combination of increased supply capacity and constrained demand (due to a warmer than average winter) moderated prices throughout 2023 and into 2024 (Figure 6). Production capacity followed a similar trajectory, as indicated by monthly average rig counts increasing to meet demand throughout 2022 before gradually decreasing in 2023 with a moderate rebound going into 2024 (Figure 7).

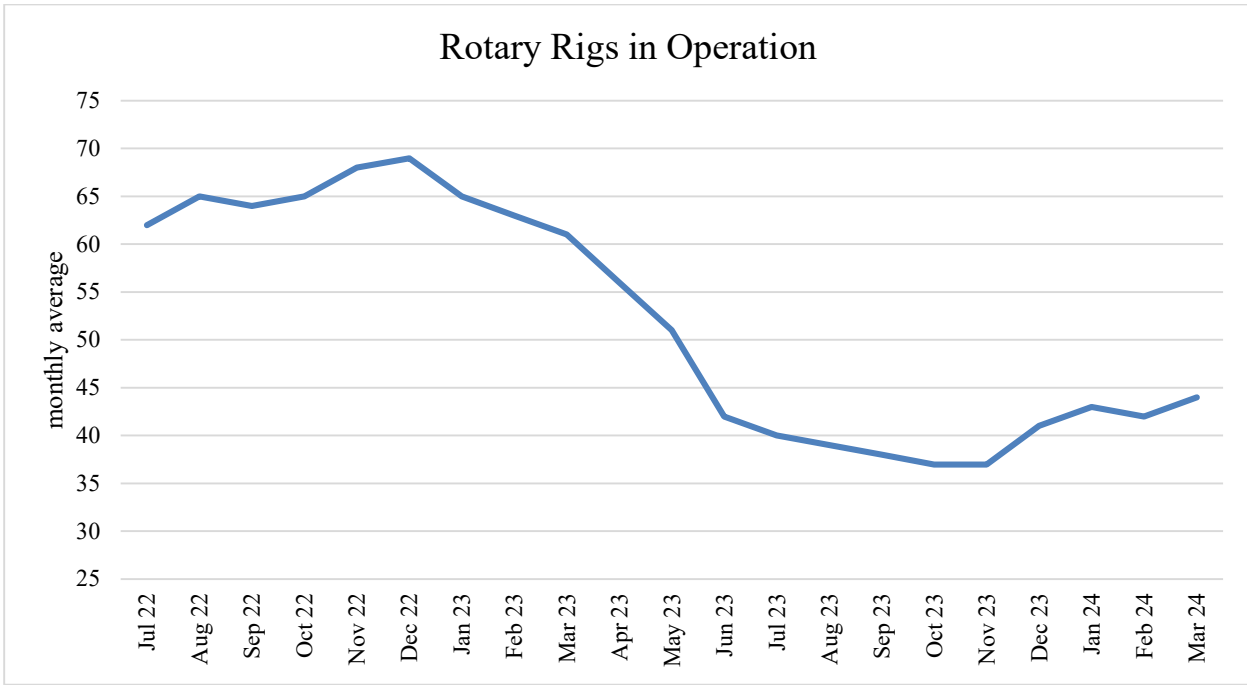
Gross production taxes make up a meaningful portion of state revenues and are impacted by energy prices and production. Supply and demand escalations throughout 2022 greatly increased state revenues as well as month-to-month volatility, conditions which both moderated throughout 2023. Current trends driven by monetary tightening and increased inventories indicate that oil and gas revenues in 2024 may decrease from the historic highs of the past two years while maintaining greater month-to-month stability. However, the risk of supply and demand shocks due to geopolitical events and extreme weather make longer-term trends 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 2023 and fiscal year 2024 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)	
	2023	2024	2023	2024	2023	2024	2023	2024
	\$							
Department of Education	3,134	\$ 3,970	30%	35%	\$ (30)	\$ 836	(1%)	27%
Regents for Higher Education	874	910	8%	8%	61	36	8%	4%
Career & Technical Education	142	165	1%	1%	3	23	2%	16%
Other Education	43	45	0%	0%	-	2	0%	5%
Total Education	\$ 4,193	\$ 5,090	39%	44%	\$ 34	\$ 897	1%	21%
	\$							
Department of Health	62	\$ 71	1%	1%	\$ 3	\$ 9	5%	15%
Health Care Authority	1,263	893	12%	8%	69	(370)	6%	(29%)
Department of Mental Health	340	359	3%	3%	19	19	6%	6%
Other Health	201	324	2%	3%	53	123	36%	61%
Total Health	\$ 1,866	\$ 1,647	18%	15%	\$ 144	\$ (219)	8%	(12%)
	\$							
Department of Human Services	754	\$ 767	8%	7%	\$ 36	\$ 13	5%	2%
Office of Juvenile Affairs	102	101	1%	1%	7	(1)	7%	(1%)
Other Human Services	91	106	1%	1%	8	15	10%	16%
Total Human Services	\$ 947	\$ 974	10%	9%	\$ 51	\$ 27	6%	3%
	\$							
Department of Corrections	552	\$ 553	5%	5%	\$ 8	\$ 1	1%	0%
Department of Transportation	806	801	8%	7%	44	(5)	6%	(1%)
Department of Public Safety	106	105	1%	1%	3	(1)	3%	(1%)
Other	2,079	2,180	19%	19%	1,436	101	223%	5%
Total	\$ 10,549	\$ 11,350	100%	100%	\$ 1,720	\$ 801	19%	8%

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, 2023, 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.

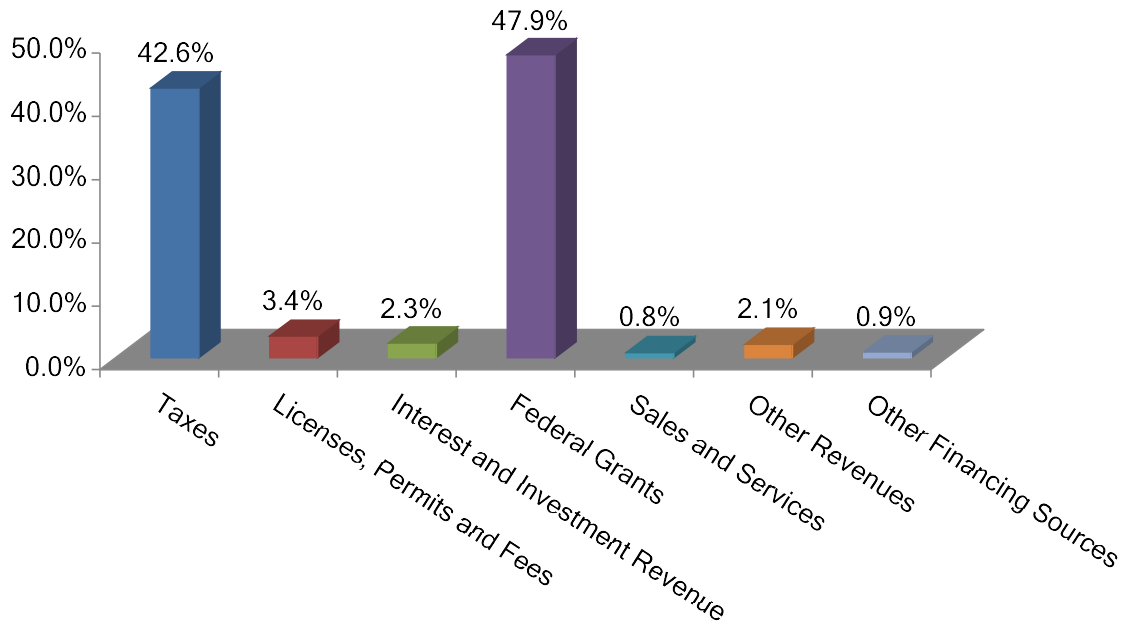
Governmental Funds: Revenues and Other Financing Sources - GAAP Basis
(expressed in millions)

	2023 Amount	Percentage of Total	Increase (Decrease) from Prior Year	Percentage Increase (Decrease)
Taxes	\$ 13,342	42.7%	\$ (51)	(0.4%)
Licenses, permits and fees	1,058	3.4%	76	7.7%
Interest and investment revenue	729	2.3%	805	(1059.2%)
Federal Revenues	14,988	47.9%	1,705	12.8%
Sales and services	261	0.8%	38	17.0%
Other revenues	645	2.1%	(24)	(3.6%)
Other financing sources:				
Transfers	108	0.4%	15	16.1%
Issuance of debt	45	0.1%	(275)	(85.9%)
Other	107	0.3%	78	269.0%
Total revenues and other financing sources	<u>\$ 31,283</u>	<u>100.0%</u>	<u>\$ 2,367</u>	<u>8.2%</u>

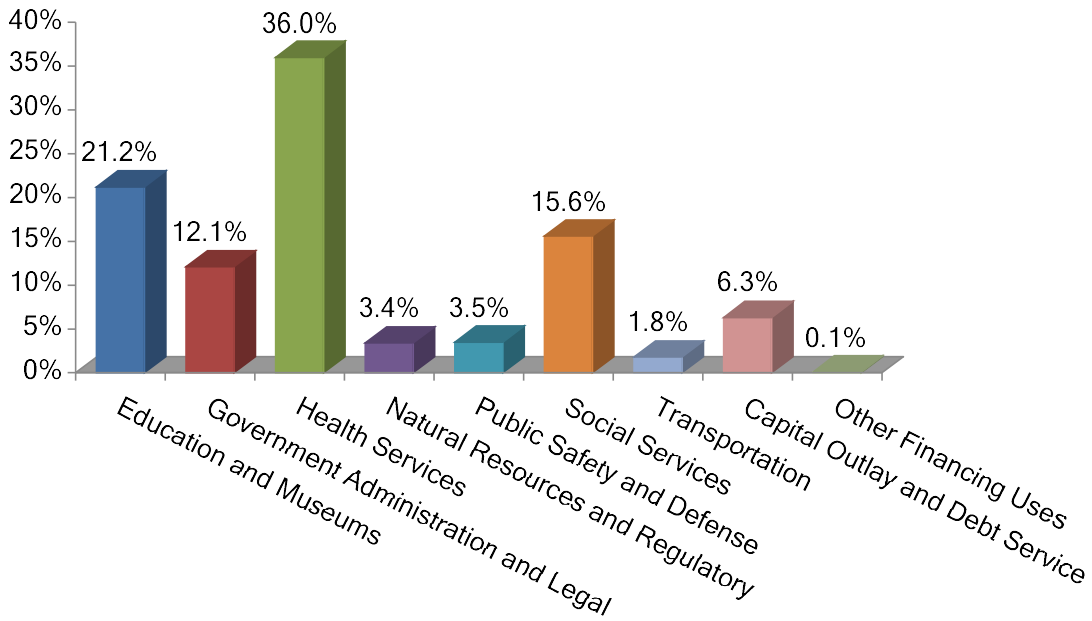
Governmental Funds: Expenditures and Other Financing Uses - GAAP Basis
(expressed in millions)

	2023 Amount	Percentage of Total	Increase (Decrease) from Prior Year	Percentage Increase (Decrease)
Education	\$ 5,995	21.1%	\$ (53)	(0.9%)
Government administration	3,161	11.1%	(29)	(0.9%)
Health services	10,214	36.0%	1,736	20.5%
Legal and judiciary	265	0.9%	(31)	(10.5%)
Museums	18	0.1%	4	28.6%
Natural resources	660	2.3%	196	42.2%
Public safety and defense	998	3.5%	28	2.9%
Regulatory services	302	1.1%	25	9.0%
Social services	4,446	15.7%	504	12.8%
Transportation	505	1.8%	88	21.1%
Capital outlay	1,528	5.4%	62	4.2%
Debt service	253	0.9%	47	22.8%
Other financing uses:				
Transfers	20	0.1%	6	42.9%
Total expenditures and other financing uses	<u>\$ 28,365</u>	<u>100.0%</u>	<u>\$ 2,583</u>	<u>10.0%</u>
Governmental Funds -				
Net increase in fund balance	<u>\$ 2,918</u>			

**Governmental Fund Revenues and Other
Financing Sources (GAAP Basis) – Fiscal Year 2023**



**Governmental Funds Expenditures and Other
Financing Uses (GAAP Basis) – Fiscal Year 2023**



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 2023, receipts in all of the major tax categories were more than revenues of the prior year with the exception of motor vehicle taxes. The total of major taxes combined for \$7.7 billion, an increase of \$443.5 million or 6.1 percent of total receipts for the same categories in the prior year. As compared to fiscal year 2022, collections from income taxes increased by \$294.8 million, or 8.0 percent; sales taxes increased by \$134.0 million or 5.4 percent; motor vehicle taxes decreased \$2.2 million, or 3.7 percent; and gross production taxes on gas and oil increased by \$16.9 million, or 1.6 percent.

Oklahoma has established an enviable record in recent years for its revenue forecasting results. Over the last fifteen years, Oklahoma's actual collections have exceeded the itemized estimate by 2.6 percent. Since enactment of a constitutional amendment in 1985 establishing new revenue estimating procedures, collections have exceeded the estimate in 22 years and dipped below the estimate 16 years. The comparison of estimated revenues to actual collections for fiscal year 2023 is as follows:

Revenue Collections Compared to Itemized Estimate for Fiscal Year 2023
(expressed in millions)

	Itemized Estimate	Actual Collections	Over (Under) Estimate	Percentage Collected
Individual and Corporate				
Income tax	\$ 3,099.5	\$ 3,971.1	\$ 872	128.1%
Sales tax	2,489.4	2,629.2	140	105.6%
Motor vehicle tax	38.2	56.8	19	148.7%
Gross production tax	822.6	1,091.6	269	132.7%
Subtotal Major Taxes	\$ 6,449.7	\$ 7,748.7	\$ 1,299	120.1%
Other sources	756.6	1,355.6	599	179.2%
Total	\$ 7,206.3	\$ 9,104.3	\$ 1,898	126.3%

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
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%
2023	7,206	9,104	1,898	126.3%
Fifteen-Year Average	\$ 5,958	\$ 6,111	\$ 153	102.6%

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 2023, the State set aside \$554 million to meet anticipated monthly cash flow needs for the new fiscal year.

General Revenue Fund – In fiscal year 2023, there were amendments to the budget that netted an additional \$295.5 million. Carried-over amounts from prior years of \$173.7 million were added to the budget compared to a \$146.1 million carry-over in fiscal year 2022. 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 \$87.7 million was added to fund a portion of the ad valorem reimbursement to schools. In order to provide increased self-financing and liquidity options to the state to facilitate advanced financing for current and future capital needs, \$500 million of carry-over funds were appropriated to the Legacy Capital Financing Fund. The State Board of Education received an additional \$249 million for the School Resource Officer Program, textbooks, Redbud school grants, and a reading pilot program. To facilitate technology upgrades for the Oklahoma Employment Security Commission, the Office of Management and Enterprise Services was appropriated an additional \$19 million

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, 2023, the restricted portion had a balance of \$955.5 million and the unassigned portion had a balance of \$318.5 million, giving the total Constitutional Reserve Fund a balance of \$1.3 billion.

FOR THE FUTURE

As Oklahoma's economy continues to prosper, 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; limit the growth in recurring expenditures; maintain the commitment to a 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, 2022. 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. Laws
State Chief Financial Officer



Felicia A. Clark, CPA
State Comptroller

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Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
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Presented to

State of Oklahoma

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

Selected Oklahoma State Officials



LEGISLATIVE BRANCH

Senate
Greg Treat, President Pro Tempore

House of Representatives
Charles McCall, Speaker of the House

EXECUTIVE BRANCH

Governor
J. Kevin Stitt

Lieutenant Governor
Matt Pinnell

Secretary of State
* Brian Bingman

State Auditor and Inspector
Cindy Byrd

Attorney General
Gentner Drummond

State Treasurer
Todd Russ

Superintendent of Public Instruction
Ryan Walters

Commissioner of Labor
Leslie Osborn

Commissioner of Insurance
Glen Mulready

Commissioners of the Corporation Commission
Todd Hiett, Chairman
Bob Anthony, Vice Chairman
Kim David

JUDICIAL BRANCH

* State Supreme Court
M. John Kane IV, Chief Justice

* Court of Criminal Appeals
Scott Rowland, Presiding Judge

* Appointed to position

CABINET DEPARTMENT SECRETARIES

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

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	623	Seminole State College	632	Speech Pathology & Audiology Bd.
440	Office of the Lieutenant Governor	660	Southeastern Oklahoma State Univ.	755	Used Motor Vehicle and Parts Comm.
		665	Southwestern Oklahoma State Univ.		
		750	Tulsa Community College		
	Agriculture	758	University Center at Ponca City		Operations and Governmnt. Efficiency
40	Agriculture, Food and Forestry, Dept of	120	University of Central Oklahoma	85	Broadband Office
39	Boll Weevil Eradication Org.	760	University of Oklahoma	105	Capital Improvement Authority
645	Conservation Commission	761	University of Oklahoma Law School	435	Lottery Commission
353	Horse Racing Commission	765	University of Oklahoma - Tulsa	90	Office of Mgmt. & Enterprise Services
790	Veterinary Medical Examiners Board	150	Univ. of Science and Arts of Okla.		
		41	Western Oklahoma State College		
	Budget				Public Safety
300	Auditor & Inspector *			30	Alcohol Beverage Laws Enforce. Comm.
315	Firefighters Pension & Retirement		Energy and Environment	772	Alcohol/Drug Influence, Bd. of Tests
416	Law Enforcement Retirement	185	Corporation Commission *	49	Attorney General *
557	Police Pension & Retirement System	359	Energy Resources Board	131	Corrections, Department of
515	Public Employees' Retirement System	292	Dept. of Environmental Quality	220	District Attorney's Council
695	Tax Commission	980	Grand River Dam Authority	309	Emergency Management, Dept. of
715	Teachers Retirement System	307	Interstate Oil Compact Comm.	47	Indigent Defense System
740	Treasurer *	410	Land Office, Commissioners of the	308	Investigation, Bureau of
		445	Liquified Petroleum Gas Board	415	Law Enf. Educ. & Trng., Council on
		125	Mines, Department of	342	Medicolegal Investigations, Bd. Of
	Commerce	981	Municipal Power Authority	455	Medical Marijuana Authority
915	Capital Investment Board	835	Water Resources Board	477	Narcotics & Dngns. Drugs, Bureau of
628	Center f/t Adv. of Sci. & Technology			306	Pardon and Parole Board
160	Commerce, Department of		Health and Mental Health	585	Public Safety, Department of
900	Development Finance Authority	44	Anatomical Board	310	State Fire Marshal, Office of
922	Housing Finance Authority	783	Community Hospitals Authority		
370	Industrial Finance Authority	807	Health Care Authority		State
391	Multiple Injury Trust Fund	340	Health, Department of	270	Election Board
346	Space Industry Development Auth.	452	Mental Health and Sub. Abuse Svc.	296	Ethics Commission
865	Workers' Compensation Commission	775	Oklahoma State Univ. Medical Auth.	678	Judicial Complaints, Council on
		92	Tobacco Settlement Endow. Trust Fund	361	Native American Cultural/Ed. Auth
	Education	825	University Hospitals Authority & Trust	625	Secretary of State, Office of
800	Career & Technology Education				
605	Regents for Higher Education		Human Services		Tourism, Wildlife and Heritage
265	Education, Department of	127	Children & Youth, Commission	55	Arts Council
266	Educational Television Authority	326	Disability Concerns, Office of	350	Historical Society
275	Educ. Qual. & Account., Office of	830	Human Services, Department of	204	J.M. Davis Memorial Commission
430	Library Department	670	J.D. McCarty Center	620	Qtz Mtn. Arts/Conf. Cntr/Nat. Pk.
563	Private Vocational School, Board of	400	Juvenile Affairs, Office of	566	Tourism & Recreation, Dept. of
629	School of Science & Mathematics	805	Rehabilitation Services	320	Wildlife Conservation, Dept. of
618	Student Loan Authority				
803	Virtual Charter School Board		Licensing and Regulation		Transportation
	Colleges and Universities:	22	Abstractor's Board	060	Aeronautics Commission
100	Cameron University	20	Accountancy Board	978	Turnpike Authority
108	Carl Albert State College	448	Alcohol and Drug Coun., Bd. of Lic	345	Transportation, Department of
165	Connors State College	65	Banking Department		
230	East Central University	148	Behavioral Health Lic., Board of		Veterans Affairs & Military
240	Eastern Oklahoma State College	145	Chiropractic Examiners Board	650	Veterans Affairs, Department of
420	Langston University	170	Construction Industries Bd.		
470	Murray State College	190	Cosmetology and Barbering Board		Workforce and Economic Development
480	Northeastern Okla. A & M College	215	Dentistry, Board of	290	Employment Security Commission
485	Northeastern State University	635	Consumer Credit, Dept. of	619	Health Care Workforce Trng. Comm
490	Northern Oklahoma College	285	Funeral Board		
505	Northwestern Oklahoma State Univ.	385	Insurance Department *		
530	Oklahoma Panhandle State Univ.	405	Labor, Department of		
10	Oklahoma State University	45	Licensed Architects, Board of Gov.		
761	Oklahoma University Law Center	622	Licensed Social Workers, Board of		
633	Oklahoma City Community College	509	Long-Term Care Admin., Bd. of Exam.		
770	Okla. University Health Science Ctr.	450	Medical Licensure & Supv., Bd. of		
773	OSU -College of Osteopathic Medicine	475	Motor Vehicle Commission		
14	OSU -College of Veterinary Medicine	510	Nursing Board		
11	OSU -Experiment Station	520	Optometry Board		
12	OSU -Extension Division	525	Osteopathic Examiners Board		
13	OSU -School of Tech. Training	343	Perfusionists, Bd. of Examiners		
15	OSU -Technical Institute of OKC	560	Pharmacy Board		
16	OSU -Tulsa	140	Podiatric Medical Examiners, Bd. Of		
771	OU Health Sci. Ctr. Prof. Prac. Plan	570	Prof. Engin. & Land Surveyors Bd.		
241	Redlands Community College	575	Psychologists, Bd. of Examiners		
610	Regional University System of Ok	588	Real Estate Commission		
461	Rogers State University	630	Securities Commission		
531	Rose State College	675	Self-Insurance Guaranty Board		

* 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 Texas horned lizard was not eligible for direct conservation funding until the creation of the State Wildlife Grant Program. Surveys for the lizards, including an ongoing project funded in 2019 and led by the University of Oklahoma, have increased knowledge of where the species can be found in the state, and how to best assess its status. Photo by J. Donnell.







Above: Since 2010, biologists with the Oklahoma Department of Wildlife Conservation have been part of the national response to white-nose syndrome with Oklahoma State Parks, Rogers State University, University of Central Oklahoma, University of Science and Arts of Oklahoma, caving organizations, and the U.S. Fish and Wildlife Service. These partners conduct disease surveillance while monitoring wintering bat populations.



Left: The northern long-eared bat was recently listed as threatened under the U.S. Endangered Species Act. This bat received a metal band as part of a research project at Ozark Plateau National Wildlife Refuge in eastern Oklahoma.







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, 2023, 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 accompanying 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, 2023, 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 percent of the assets, fifty-eight percent of the net position, and seventy-eight 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-three percent of the net position, and seventy-eight 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-nine percent of the assets, eighty-eight percent of the net position, and fifty percent of the additions of the aggregate remaining fund information.
- the financial statements of the Department of Commerce which in the aggregate represent one percent of the assets, two 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 \$388,813,000 at December 31, 2022, primarily due to court awards exceeding the apportionment of special tax revenue collected.

As discussed in Note 1, effective July 2022, the State of Oklahoma adopted the provisions of GASB Statement No. 91, *Conduit Debt Obligations*, GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, and GASB Statement No. 99, *Omnibus 2022 (paragraphs 11-25)*.

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 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 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 GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 September 4, 2024, 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

September 4, 2024



To monitor our state's smallest fox, the Wildlife Department conducts swift fox track surveys in alternating townships within the Panhandle. Biologists document the time they spend actively searching within the township and the time any tracks are detected. Photo by Larry D. Brown.





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, 2023. 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, 2023, by \$32.3 billion (presented as "net position"). Of this amount, \$10.6 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 \$3.9 billion (a 13.7% increase) in fiscal year 2023 after a 14.8% increase during the previous fiscal year. Net position of governmental activities increased by \$3.8 billion (a 14.4% increase), while net position of the business-type activities showed an increase of \$63.1 million following an increase of \$132.1 million in the prior fiscal year.

Fund Highlights:

Governmental Funds - Fund Balances - As of the close of fiscal year 2023, the state's governmental funds reported a combined ending fund balance of \$17.6 billion, an increase of \$2.9 billion in comparison with the prior year. Of this total amount, \$4.2 billion represents nonspendable fund balance, with \$90.4 million being in the General Fund. Amounts that can be spent include \$2.8 billion of restricted fund balance, \$10.0 billion of committed fund balance, \$209.8 million of assigned fund balance, and \$318.5 million of unassigned fund balance. The portion of fund balance which is available is roughly 47.1% of the total governmental expenditures for the year.

Long-term Debt:

The state's total long-term debt obligations showed a net decrease of \$57.1 million (3.1%) in governmental type activities and a net increase of \$314.0 million (21.1%) 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 \$32.3 billion at the end of 2023 compared to \$28.4 billion at the end of the previous year.

The largest portion of the state's net position (40.7%) 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	
	2023	2022	2023	2022	2023	2022
	Current Assets	\$ 19,181,541	\$ 15,403,336	\$ 1,780,493	\$ 1,629,665	\$ 20,962,034
Capital Assets	14,411,745	13,780,701	3,330	2,334	14,415,075	13,783,035
Other Assets	5,091,944	5,827,196	2,279,314	2,023,918	7,371,258	7,851,114
Total Assets	<u>\$ 38,685,230</u>	<u>\$ 35,011,233</u>	<u>\$ 4,063,137</u>	<u>\$ 3,655,917</u>	<u>\$ 42,748,367</u>	<u>\$ 38,667,150</u>
Deferred Outflows	<u>\$ 1,112,826</u>	<u>\$ 393,064</u>	<u>\$ 3,716</u>	<u>\$ 951</u>	<u>\$ 1,116,542</u>	<u>\$ 394,015</u>
Noncurrent Liabilities	\$ 2,911,195	\$ 2,133,490	\$ 1,751,481	\$ 1,426,719	\$ 4,662,676	\$ 3,560,209
Other Liabilities	6,307,014	5,213,340	396,197	366,493	6,703,211	5,579,833
Total Liabilities	<u>\$ 9,218,209</u>	<u>\$ 7,346,830</u>	<u>\$ 2,147,678</u>	<u>\$ 1,793,212</u>	<u>\$ 11,365,887</u>	<u>\$ 9,140,042</u>
Deferred Inflows	<u>\$ 225,304</u>	<u>\$ 1,533,624</u>	<u>\$ 17,807</u>	<u>\$ 25,421</u>	<u>\$ 243,111</u>	<u>\$ 1,559,045</u>
Net Investment in Capital Assets	\$ 13,114,537	\$ 12,301,625	\$ 3,330	\$ 2,334	\$ 13,117,867	\$ 12,303,959
Restricted	7,311,499	6,170,812	1,211,243	1,086,882	8,522,742	7,257,694
Unrestricted	9,928,507	8,051,406	686,795	749,019	10,615,302	8,800,425
Total Net Position	<u><u>\$ 30,354,543</u></u>	<u><u>\$ 26,523,843</u></u>	<u><u>\$ 1,901,368</u></u>	<u><u>\$ 1,838,235</u></u>	<u><u>\$ 32,255,911</u></u>	<u><u>\$ 28,362,078</u></u>

A portion of the state's net position (26.4%) 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

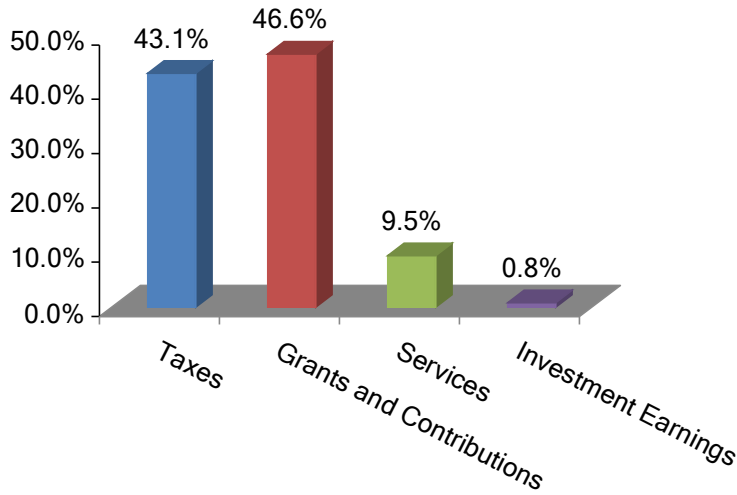
The state's governmental net position increased by \$3.9 billion, or 13.7%. Approximately 43.1% of the state's total revenue came from taxes, while 46.6% resulted from grants and contributions including federal aid. Charges for various goods, services and investments provided 10.3% of the total revenues. The state's expenses cover a range of services. The largest expenses were for health services, general education, government administration and social services. In 2023, governmental activity expenses exceeded program revenues, resulting in the use of \$10.0 billion in general revenues, mostly taxes. The business-type activities' program revenues exceeded their expenses for 2023 by \$150.5 million.

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

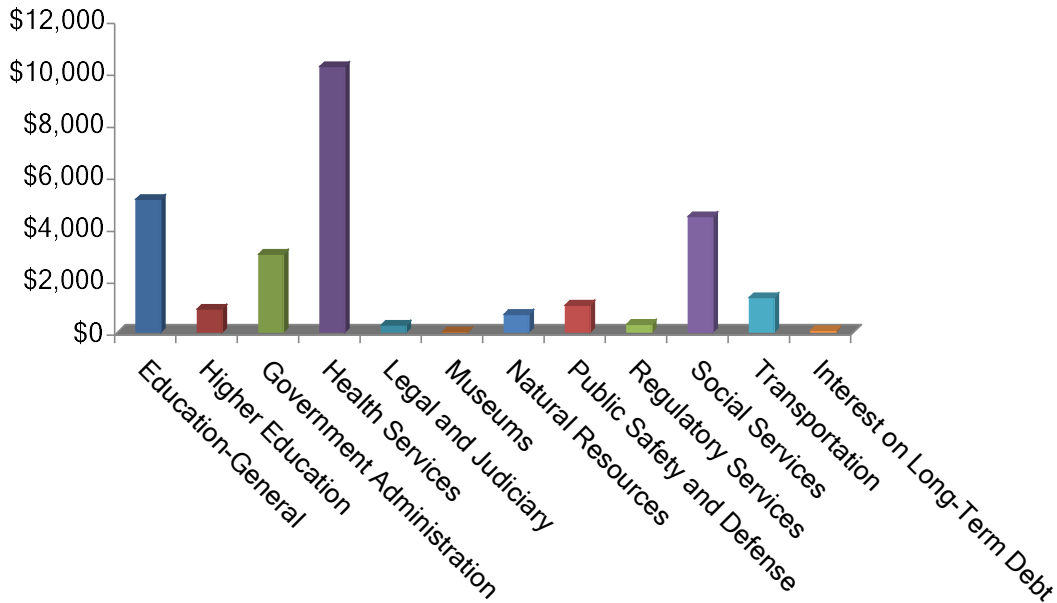
(expressed in thousands)

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program Revenues:						
Charges for Services	\$ 2,942,242	\$ 1,918,474	\$ 1,929,034	\$ 1,900,866	\$ 4,871,276	\$ 3,819,340
Operating Grants and Contributions	14,499,967	12,910,191	63,656	219,274	14,563,623	13,129,465
General Revenues:						
Income Taxes-Individual	4,175,461	4,246,765	-	-	4,175,461	4,246,765
Income Taxes-Corporate	771,747	901,730	-	-	771,747	901,730
Sales Taxes	3,747,724	3,550,893	-	-	3,747,724	3,550,893
Gross Production Taxes	1,567,777	1,738,561	-	-	1,567,777	1,738,561
Motor Vehicle Taxes	931,918	963,073	-	-	931,918	963,073
Fuel Taxes	572,351	569,442	-	-	572,351	569,442
Other Taxes	1,629,481	1,430,346	-	-	1,629,481	1,430,346
Investment Earnings	247,852	78,703	-	-	247,852	78,703
Total Revenues	\$ 31,086,520	\$ 28,308,178	\$ 1,992,690	\$ 2,120,140	\$ 33,079,210	\$ 30,428,318
Expenses:						
Education-General	\$ 5,115,681	\$ 5,326,009	\$ -	\$ -	\$ 5,115,681	\$ 5,326,009
Education-Payments to Higher Education	887,775	719,059	-	-	887,775	719,059
Government Administration	3,002,248	3,061,961	-	-	3,002,248	3,061,961
Health Services	10,220,499	8,506,713	-	-	10,220,499	8,506,713
Legal and Judiciary	273,555	279,600	-	-	273,555	279,600
Museums	19,224	14,773	-	-	19,224	14,773
Natural Resources	684,680	467,194	-	-	684,680	467,194
Public Safety and Defense	1,042,289	1,013,314	-	-	1,042,289	1,013,314
Regulatory Services	305,862	276,071	-	-	305,862	276,071
Social Services	4,450,381	3,940,404	-	-	4,450,381	3,940,404
Transportation	1,330,596	1,246,243	-	-	1,330,596	1,246,243
Interest on Long-Term Debt	66,350	63,984	-	-	66,350	63,984
Unemployment Insurance Trust Fund	-	-	345,423	446,339	345,423	446,339
State Loan Program to Local Governments	-	-	54,020	45,838	54,020	45,838
Group Insurance Program	-	-	1,155,852	1,144,627	1,155,852	1,144,627
Lottery Commission	-	-	286,885	271,734	286,885	271,734
Total Expenses	\$ 27,399,140	\$ 24,915,325	\$ 1,842,180	\$ 1,908,538	\$ 29,241,320	\$ 26,823,863
Increase (Decrease) in Net Position Before Transfers and Contribution to Permanent Funds	\$ 3,687,380	\$ 3,392,853	\$ 150,510	\$ 211,602	\$ 3,837,890	\$ 3,604,455
Contribution to Permanent Funds	56,600	61,212	-	-	56,600	61,212
Transfers	87,377	79,496	(87,377)	(79,496)	-	-
Change in Net Position	\$ 3,831,357	\$ 3,533,561	\$ 63,133	\$ 132,106	\$ 3,894,490	\$ 3,665,667
Net Position, Beginning of Year	26,523,843	22,992,341	1,838,235	1,706,129	28,362,078	24,698,470
Adjustments to Beginning Net Position	(657)	(2,716)	-	-	(657)	(2,716)
Net Position, End of Year	\$ 30,354,543	\$ 26,523,186	\$ 1,901,368	\$ 1,838,235	\$ 32,255,911	\$ 28,361,421

**Revenues – Governmental Activities
Fiscal Year 2023**



**Expenses – Governmental Activities
Fiscal Year 2023
(expressed in thousands)**



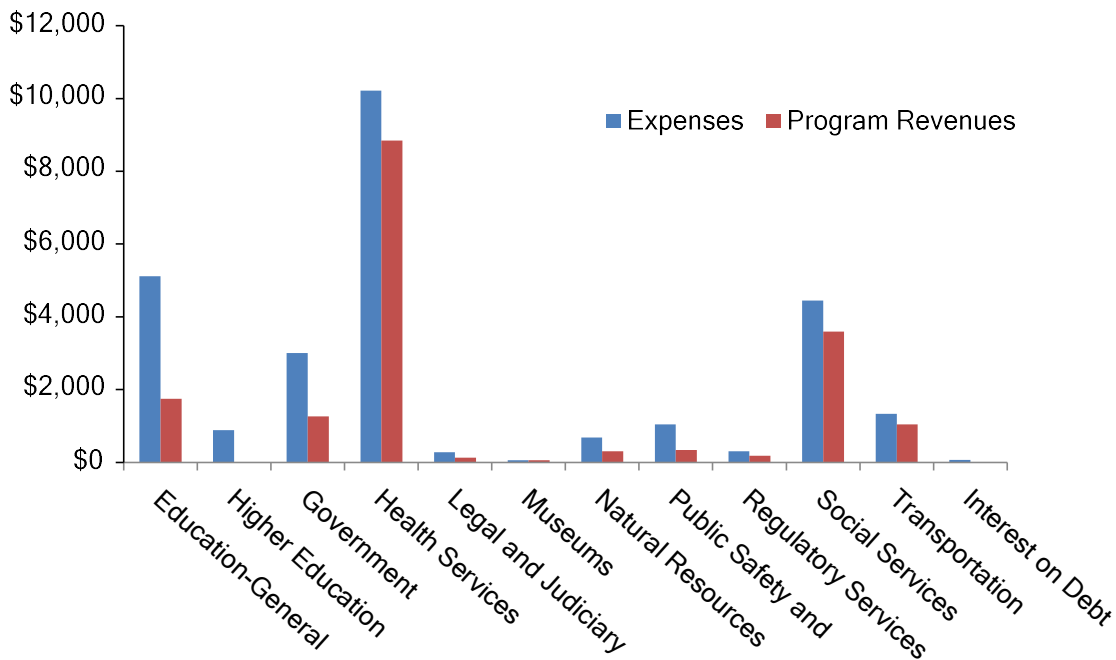
Governmental Activities

Governmental activities increased the state's net position by \$3.8 billion. Tax revenues decreased in all major types with the exception of sales taxes. Total revenues for governmental activities were up by \$2.8 billion, or 9.8%, in 2023. The state showed a \$71.3 million decrease in individual income taxes, a \$196.8 million increase in sales taxes, a \$31.2 million decrease in motor vehicle taxes, a \$130.0 million decrease in corporate income taxes, and a \$170.8 million decrease in gross production taxes during 2023. Additionally, there was a \$1.6 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>	
Expenses Net of Program Revenues:		
Education-General	\$	(3,370,617)
Education-Payment to Higher Education		(887,775)
Government Administration		(1,737,207)
Health Services		(1,379,189)
Legal and Judiciary		(143,942)
Museums		(13,898)
Natural Resources		(385,530)
Public Safety and Defense		(702,560)
Regulatory Services		(126,394)
Social Services		(858,476)
Transportation		(284,993)
Interest on Long-Term Debt		(66,350)
Total Governmental Activities Expenses	\$	(9,956,931)
General Revenues:		
Taxes	\$	13,396,459
Investment Earnings		247,852
Contributions to Permanent Funds		56,600
Transfers		87,377
Total General Revenues	\$	13,788,288
Increase in Governmental Activities Net Position	\$	3,831,357

Expenses and Program Revenues – Governmental Activities
Fiscal Year 2023
(expressed in thousands)



Business-Type Activities

The business-type activities increased the state's net position by \$63.1 million, a 3.4% increase, to \$1.9 billion. This increase follows a decrease of 7.7% 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) and an increase in federal grants to the Oklahoma Water Resources Board (OWRB). The OUIF net position increased by \$92.3 million, the OWRB's net position increased by \$64.6 million, Employees Group Insurance Division (EGID) of Office of Management and Enterprise Services decreased by \$99.7 million, and the Oklahoma Lottery Commission had an increase in net position of \$5.9 million.

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 2023, the state's governmental funds reported combined ending fund balances of \$17.6 billion, an increase of \$2.9 billion from the prior year. The largest portion, \$4.2 billion (24.1%), 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, \$2.8 billion (15.9%) 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 \$10.0 billion (56.9%) 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 \$209.8 million (1.2%) 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, 2023, the state has \$318.5 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 \$2.7 billion to \$13.1 billion. This 25.6% 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 47.1% of total Governmental Fund expenditures, while total fund balance represents 62.1% 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. This year total program revenues were \$236.4 million compared to a \$94.5 million deficit in the prior year due primarily to a net increase in the fair value of investments. Distributions to beneficiaries totaled \$139.7 million for fiscal year 2023 with \$33.7 million disbursed to universities and colleges, \$103.0 million disbursed to public schools, and \$3.0 million disbursed for public buildings. This was an increase of \$14.6 million from fiscal year 2022 apportionments of \$125.1 million.

The Department of Wildlife's Lifetime Licenses' fund balance increased by 3.0% to \$102.8 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 \$168.8 million net increase in fund balance primarily due to a net increase in the fair value of investments. Settlement payments of \$52.2 million were

received from tobacco manufacturers during 2023. The prior year's payment was about \$57.2 million. The state now has \$1.7 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 \$63.1 million as a result of operations in the proprietary funds. This resulted from a \$92.3 million increase in net position by OUITF, an increase in net position of \$64.6 million by OWRB's program for making loans to local government units for drinking and wastewater facilities, a decrease of \$99.7 million by EGID for insurance benefit administration, and an increase in net position of \$5.9 million by the Oklahoma Lottery Commission.

OUITF increased 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 \$64.6 million. This was primarily due to increase in federal grants, interest and investment revenue.

EGID decreased net position by \$99.7 million over the prior year net position. The largest change was a decrease in investment earnings.

Oklahoma Lottery Department increased net position by \$5.9 million. The increase was primarily due to increased sales attributable to several large jackpots in fiscal year 2023.

GENERAL FUND BUDGETARY HIGHLIGHTS

The differences between the original budget and the final amended budget amounted to \$295.5 million with \$173.7 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 \$87.7 million.

The difference between the final budget and the actual expenditures amounted to \$1.2 billion 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, 2023, amounts to \$29.5 billion, less accumulated depreciation of \$15.1 billion, leaving a net book value of \$14.4 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 4.6% in terms of net book value. Actual expenditures to purchase or construct assets that are capitalized were \$1.5 billion for the year, a \$369.1 million (33.1%) increase over the prior year. Most of this amount was used to construct or reconstruct roads and bridges. Net depreciation charges for the year totaled \$694.0 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 total debt for the general fund decreased by \$57.1 million, or 3.1%, during the current fiscal year. Business-type activities' debt increased by \$314.0 million or 21.1%.

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 2023. The national unemployment rate as of June 2024 was 4.1% while Oklahoma's was at 3.4% 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 2024

General revenue collections outpaced estimates over the fiscal year 2024. At the end of fiscal year 2024 collections were \$177.7 million above the estimate, and \$638 million less than the 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.

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Most salamanders have restricted ranges, but the barred tiger salamander can be found across much of western Oklahoma. These black and yellow goliaths remain underground much of the year but come aboveground to breed after heavy rains. Dry conditions can tie the salamanders to ponds; adult barred tiger salamanders that stay in ponds after their larval stage keep their larval gills.







Oklahoma's last remaining population of federally endangered red-cockaded woodpeckers has grown thanks to a partnership between the U.S. Forest Service, Louisiana Department of Wildlife and Fisheries, and Oklahoma Department of Wildlife Conservation.





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State of Oklahoma
Government-Wide Statement of Net Position
June 30, 2023
(expressed in thousands)

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Assets				
Current Assets				
Cash/Cash Equivalents	\$ 15,163,166	\$ 1,111,217	\$ 16,274,383	\$ 2,371,464
Investments	89,599	243,914	333,513	1,877,489
Securities Lending Investments	1,205,397	-	1,205,397	-
Accounts Receivable	187,088	126,492	313,580	896,870
Interest and Investment Revenue Receivable	57,376	23,764	81,140	16,190
Federal Grants Receivable	1,400,118	1,293	1,401,411	7,492
Taxes Receivable	878,861	122,262	1,001,123	-
Leases Receivable	19,972	-	19,972	-
Leases Receivable - Component Units	34,990	-	34,990	-
Notes Receivable	-	109,867	109,867	24,999
Other Receivables	45,799	46	45,845	50,110
Internal Balances	6	(6)	-	6
Receivable from External Parties	55	-	55	13
Due from Component Units	2,619	61	2,680	1,109
Due from Primary Government	(36)	36	-	56,672
Inventory	89,190	-	89,190	92,978
Prepaid Items	1,209	-	1,209	21,807
Other Current Assets	6,132	41,547	47,679	90,366
Total Current Assets	\$ 19,181,541	\$ 1,780,493	\$ 20,962,034	\$ 5,507,565
Noncurrent Assets				
Cash/Cash Equivalents, Restricted	\$ 90,043	\$ 129,319	\$ 219,362	\$ 899,271
Short Term Investments, Restricted	4,371,444	-	4,371,444	3,377,353
Long Term Investments	-	2,608	2,608	1,865,752
Long Term Investments, Restricted	-	39,450	39,450	-
Leases Receivable	83,758	-	83,758	-
Leases Receivables - Component Units	368,589	-	368,589	14,715
Long Term Notes Receivable, Net	-	2,102,974	2,102,974	120,773
Net Pension Asset	5,350	-	5,350	4,386
Net Other Postemployment Benefit Asset	69,116	131	69,247	18,231
Long Term Due from Comp Units	54,668	-	54,668	-
Capital Assets - Net	12,038,326	3,330	12,041,656	8,801,181
Capital Assets - Land	2,138,917	-	2,138,917	572,738
Capital Assets - Construction in Progress	234,502	-	234,502	1,366,415
Other Noncurrent Assets	10,924	4,832	15,756	473,412
Other Noncurrent Assets - Restricted	38,052	-	38,052	36
Total Noncurrent Assets	\$ 19,503,689	\$ 2,282,644	\$ 21,786,333	\$ 17,514,263
Total Assets	\$ 38,685,230	\$ 4,063,137	\$ 42,748,367	\$ 23,021,828
Deferred Outflows				
Deferred Outflows from Pensions	\$ 1,047,392	\$ 2,443	\$ 1,049,835	\$ 544,114
GASB 87 Outflow	-	1,169	1,169	-
Deferred Outflows from OPEB	65,434	104	65,538	39,496
Lease Restructuring	-	-	-	20,673
Advance Refunding of Bonds	-	-	-	110,126
Defeasance of Bonds	-	-	-	142
Accumulated Decrease in Fair Value of Derivatives	-	-	-	5,354
Deferred Outflows from Asset Retirement Obligations	-	-	-	331
Total Deferred Outflows	\$ 1,112,826	\$ 3,716	\$ 1,116,542	\$ 720,236

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

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Liabilities				
Current Liabilities				
Accounts Payable and Accrued Liabilities	\$ 2,196,432	\$ 154,299	\$ 2,350,731	\$ 459,115
Unearned Revenue	369,182	-	369,182	333,916
Payable Under Securities Lending Agreements	1,205,397	-	1,205,397	-
Claims and Judgements	13,402	-	13,402	57,698
Interest Payable	30,278	138,329	168,607	72,658
Compensated Absences	95,271	415	95,686	82,675
Tax Refunds Payable	467,534	-	467,534	-
Due to Others	300,532	-	300,532	-
Revenue Bonds, net	134,375	62,155	196,530	235,368
Payable to External Parties	100,996	1,744	102,740	626
Due to Component Units	57,646	-	57,646	1,109
Due to Primary Government	-	-	-	2,343
Right to Use Leases	39,926	-	39,926	74,629
Right to Use Leases - Primary Government	-	-	-	34,990
Notes Payable	4,188	-	4,188	55,591
Other Current Liabilities	1,291,855	39,255	1,331,110	585,249
Total Current Liabilities	\$ 6,307,014	\$ 396,197	\$ 6,703,211	\$ 1,995,967
Noncurrent Liabilities				
Claims and Judgements	\$ 117,199	\$ -	\$ 117,199	\$ 367,566
Due to Primary Government	-	-	-	55,005
Right to Use Leases	87,374	-	87,374	568,110
Right to Use Leases-Primary Government	-	-	-	368,590
Compensated Absences	100,874	147	101,021	57,564
Net Pension Liability	913,723	2,861	916,584	1,768,957
Notes Payable	146,459	-	146,459	231,106
General Obligation Bonds	-	-	-	30,000
Revenue Bonds (including Premiums)	1,404,062	1,738,535	3,142,597	5,181,763
Net Other Postemployment Benefit Liability	141,504	441	141,945	310,872
Other Noncurrent Liabilities	-	9,497	9,497	73,704
Total Noncurrent Liabilities	\$ 2,911,195	\$ 1,751,481	\$ 4,662,676	\$ 9,013,237
Total Liabilities	\$ 9,218,209	\$ 2,147,678	\$ 11,365,887	\$ 11,009,204
Deferred Inflows				
Restructured Debt	\$ -	\$ 17,494	\$ 17,494	\$ 7,522
Deferred Lease Inflow	128,692	138	128,830	-
Service Concession Arrangements	-	-	-	126,206
Accumulated Increase in Fair Value	-	-	-	842
Deferred Inflows from Pensions	45,577	93	45,670	242,468
Deferred Inflows from OPEB	51,035	82	51,117	76,207
Deferred Regulation Inflows	-	-	-	147,375
Total Deferred Inflows	\$ 225,304	\$ 17,807	\$ 243,111	\$ 600,620
Net Position				
Net Investment in Capital Assets	\$ 13,114,537	\$ 3,330	\$ 13,117,867	\$ 4,760,516
Restricted for:				
Federal Programs	1,078,018	-	1,078,018	-
Debt Service	769,153	394,778	1,163,931	334,319
Lottery Benefits	-	15,463	15,463	-
Educational Systems	2,662,359	-	2,662,359	-
Post Employment Benefits	-	131	131	-
Stabilization	955,538	-	955,538	-
Preservation of Wildlife	102,824	-	102,824	-
Unemployment Benefits	-	800,871	800,871	-
Tobacco Cessation and Public Health				
Nonexpendable	1,467,114	-	1,467,114	1,347,633
Expendable	276,493	-	276,493	4,269,599
Unrestricted	9,928,507	686,795	10,615,302	1,420,173
Total Net Position	\$ 30,354,543	\$ 1,901,368	\$ 32,255,911	\$ 12,132,240

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

State of Oklahoma
Government-Wide Statement of Activities
For the Fiscal Year Ended June 30, 2023
(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		
Primary Government							
Governmental Activities:							
Education - General	\$ 5,115,681	\$ 477,470	\$ 1,267,594	\$ (3,370,617)		\$ (3,370,617)	
Education - Payment to Higher Education	887,775	-	-	(887,775)		(887,775)	
Government Administration	3,002,248	807,297	457,744	(1,737,207)		(1,737,207)	
Health Services	10,220,499	859,881	7,981,429	(1,379,189)		(1,379,189)	
Legal and Judiciary	273,555	87,698	41,915	(143,942)		(143,942)	
Museums	19,224	4,099	1,227	(13,898)		(13,898)	
Natural Resources	684,680	227,904	71,246	(385,530)		(385,530)	
Public Safety and Defense	1,042,289	152,966	186,763	(702,560)		(702,560)	
Regulatory Services	305,862	170,730	8,738	(126,394)		(126,394)	
Social Services	4,450,381	74,926	3,516,979	(858,476)		(858,476)	
Transportation	1,330,596	79,271	966,332	(284,993)		(284,993)	
Interest on Long Term Debt	66,350	-	-	(66,350)		(66,350)	
Total Governmental Activities	\$ 27,399,140	\$ 2,942,242	\$ 14,499,967	\$ (9,956,931)		\$ (9,956,931)	
Business-Type Activities:							
Employment Security Commission	\$ 345,423	\$ 378,475	\$ 59,223		\$ 92,275	\$ 92,275	
Office of Management and Enterprise Services	1,155,852	1,056,202	-		(99,650)	(99,650)	
Oklahoma Lottery Commission	286,885	381,153	-		94,268	94,268	
Water Resources Board	54,020	113,204	4,433		63,617	63,617	
Total Business-Type Activities	\$ 1,842,180	\$ 1,929,034	\$ 63,656		\$ 150,510	\$ 150,510	
Total Primary Government	\$ 29,241,320	\$ 4,871,276	\$ 14,563,623	\$ (9,956,931)	\$ 150,510	\$ (9,806,421)	
Component Units:							
Oklahoma Student Loan Authority	\$ 36,492	\$ 36,670	\$ -				\$ 178
Oklahoma Housing Finance Agency	177,319	(12,713)	154,779				(35,253)
Oklahoma Turnpike Authority	316,407	356,495	-				40,088
Grand River Dam Authority	598,174	663,325	-				65,151
Oklahoma Municipal Power Authority	224,912	225,153	-				241
Higher Education	5,218,312	2,975,928	2,004,348				(238,036)
Nonmajor Component Units	816,498	652,451	79,059				(84,988)
Total Component Units	\$ 7,388,114	\$ 4,897,309	\$ 2,238,186				\$ (252,619)
General Revenues							
Taxes:							
Income Taxes - Individual				\$ 4,175,461	\$ -	\$ 4,175,461	\$ -
Sales Tax				3,747,724	-	3,747,724	-
Gross Production Taxes				1,567,777	-	1,567,777	-
Income Taxes - Corporate				771,747	-	771,747	-
Motor Vehicle Taxes				931,918	-	931,918	-
Fuel Taxes				572,351	-	572,351	-
Tobacco Taxes				436,531	-	436,531	-
Other Business Taxes				376,634	-	376,634	-
Insurance Taxes				409,605	-	409,605	-
Beverage Taxes				178,160	-	178,160	-
Other Taxes				228,551	-	228,551	-
Payments from Primary Government				-	-	-	1,080,299
Investment Earnings				247,852	-	247,852	-
Contributions to Permanent Funds				56,600	-	56,600	-
Transfers				87,377	(87,377)	-	-
Total General Revenues and Transfers				\$ 13,788,288	\$ (87,377)	\$ 13,700,911	\$ 1,080,299
Change in Net Position				\$ 3,831,357	\$ 63,133	\$ 3,894,490	\$ 827,680
Net Position - Beginning of Year (as restated)				26,523,186	1,838,235	28,361,421	11,304,560
Net Position - End of Year				\$ 30,354,543	\$ 1,901,368	\$ 32,255,911	\$ 12,132,240

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



The Wildlife Department's monarch tagging program helps understand the dynamics of the monarch's fall migration through mark and recapture.





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State of Oklahoma
Balance Sheet
Governmental Funds
June 30, 2023
(expressed in thousands)

	General	Permanent Funds			Total Governmental Funds
		Commissioners of the Land Office	Department of Wildlife Lifetime Licenses	Tobacco Settlement Endowment Trust	
Assets					
Assets					
Cash/Cash Equivalents	\$ 15,094,514	\$ 97,891	\$ 9,091	\$ 51,712	\$ 15,253,208
Investments	89,599	2,575,745	93,573	1,702,126	4,461,043
Security Lending Investments	1,047,255	-	-	158,142	1,205,397
Accounts Receivable	187,088	-	-	-	187,088
Interest and Investment Revenue Receivable	57,376	14,963	-	4,309	76,648
Federal Grants Receivable	1,400,118	-	-	-	1,400,118
Taxes Receivable	878,861	-	-	-	878,861
Leases Receivable	31,141	72,588	-	-	103,729
Leases Receivable - Component Units	403,579	-	-	-	403,579
Other Receivables	45,799	15,869	-	2,911	64,579
Due from Other Funds	304	4,825	153	-	5,282
Due from Fiduciary Funds	55	-	-	-	55
Due from Component Units	2,619	-	-	-	2,619
Due From Component Units - Noncurrent	54,668	-	-	-	54,668
Inventory	89,190	-	-	-	89,190
Prepaid Items	1,209	-	-	-	1,209
Other Assets	16,438	611	7	-	17,056
Total Assets	\$ 19,399,813	\$ 2,782,492	\$ 102,824	\$ 1,919,200	\$ 24,204,329
Liabilities					
Accounts Payable and Accrued Liabilities	\$ 2,159,537	\$ 22,104	\$ -	\$ 14,812	\$ 2,196,453
Unearned Revenue	1,660,761	276	-	-	1,661,037
Payable Under Securities Lending Agreements	1,047,255	-	-	158,142	1,205,397
Tax Refunds Payable	467,534	-	-	-	467,534
Due to Other Funds	5,014	-	-	298	5,312
Due to Fiduciary Funds	100,996	-	-	-	100,996
Due to Component Units	55,305	-	-	2,341	57,646
Due to Others	300,532	-	-	-	300,532
Total Liabilities	\$ 5,796,934	\$ 22,380	\$ -	\$ 175,593	\$ 5,994,907
Deferred Inflows					
Deferred Lease Inflows	\$ 30,939	\$ 97,753	\$ -	\$ -	\$ 128,692
Unavailable Revenue	490,018	-	-	-	490,018
Total Deferred Inflows	\$ 520,957	\$ 97,753	\$ -	\$ -	\$ 618,710
Fund Balances					
Nonspendable	\$ 90,399	\$ 2,584,276	\$ 102,824	\$ 1,467,114	\$ 4,244,613
Restricted	2,802,709	-	-	-	2,802,709
Committed	9,870,301	78,083	-	66,703	10,015,087
Assigned	-	-	-	209,790	209,790
Unassigned	318,513	-	-	-	318,513
Total Fund Balances	\$ 13,081,922	\$ 2,662,359	\$ 102,824	\$ 1,743,607	\$ 17,590,712

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 \$ 17,590,712

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	\$	2,138,917	
Buildings and Improvements		1,958,580	
Equipment		848,121	
Infrastructure		24,344,690	
Construction in Progress		234,502	
Accumulated Depreciation		<u>(15,113,065)</u>	
			14,411,745

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.

490,018

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

Net Pension Asset	\$	5,350	
Deferred Pension Plan Outflows		1,047,392	
Net Pension Liability		(913,723)	
Deferred Pension Plan Inflows		<u>(45,577)</u>	
			93,442

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	\$	69,116	
Deferred Other Postemployment Benefit Outflows		65,434	
Net Other Postemployment Benefit Liability		(141,504)	
Deferred Other Postemployment Benefit Inflows		<u>(51,035)</u>	
			(57,989)

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

23

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	\$	(150,647)	
Revenue Bonds		(1,422,839)	
Capital Leases and Certificates of Participation		(127,300)	
Bond Issue Premiums		(115,598)	
Accrued Interest on Bonds		(30,278)	
Compensated Absences		(196,145)	
Claims and Judgments		<u>(130,601)</u>	
			(2,173,408)

Net Position of Governmental Activities

\$ 30,354,543

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, 2023
(expressed in thousands)

	Permanent Funds				Total Governmental Funds
	General	Commissioners of the Land Office	Department of Wildlife Lifetime Licenses	Tobacco Settlement Endowment	
Revenues					
Taxes					
Income Taxes - Individual	\$ 4,152,409	\$ -	\$ -	\$ -	\$ 4,152,409
Sales Tax	3,751,893	-	-	-	3,751,893
Gross Production Tax	1,539,531	-	-	-	1,539,531
Income Taxes - Corporate	740,097	-	-	-	740,097
Motor Vehicle Taxes	957,647	-	-	-	957,647
Fuel Taxes	572,343	-	-	-	572,343
Tobacco Taxes	436,511	-	-	-	436,511
Other Business Taxes	376,087	-	-	-	376,087
Insurance Taxes	409,553	-	-	-	409,553
Beverage Taxes	177,729	-	-	-	177,729
Other Taxes	228,555	-	-	-	228,555
Licenses, Permits and Fees	1,054,570	-	3,035	-	1,057,605
Interest and Investment Revenue	310,079	233,647	-	185,186	728,912
Federal Revenue	14,988,395	-	-	-	14,988,395
Sales and Services	260,923	-	-	-	260,923
Other Grants and Reimbursements	386,814	-	-	-	386,814
Fines and Penalties	95,064	-	-	-	95,064
Other	103,900	2,737	-	56,600	163,237
Total Revenues	\$ 30,542,100	\$ 236,384	\$ 3,035	\$ 241,786	\$ 31,023,305
Expenditures					
Education	\$ 5,844,930	\$ 151,216	\$ -	\$ -	\$ 5,996,146
Government Administration	3,088,201	-	-	72,932	3,161,133
Health Services	10,213,534	-	-	-	10,213,534
Legal and Judiciary	265,408	-	-	-	265,408
Museums	17,636	-	-	-	17,636
Natural Resources	659,816	-	-	-	659,816
Public Safety and Defense	998,353	-	-	-	998,353
Regulatory Services	301,531	-	-	-	301,531
Social Services	4,445,814	-	-	-	4,445,814
Transportation	504,706	-	-	-	504,706
Capital Outlay	1,528,083	-	-	32	1,528,115
Debt Service					
Principal Retirement	185,451	-	-	-	185,451
Interest	67,731	-	-	-	67,731
Total Expenditures	\$ 28,121,194	\$ 151,216	\$ -	\$ 72,964	\$ 28,345,374
Revenues in Excess of (Less Than) Expenditures	\$ 2,420,906	\$ 85,168	\$ 3,035	\$ 168,822	\$ 2,677,931
Other Financing Sources (Uses)					
Transfers In	\$ 102,043	\$ 5,680	\$ -	\$ -	\$ 107,723
Transfers Out	(7,230)	(12,765)	-	-	(19,995)
Capital Leases	96,804	-	-	-	96,804
Note Proceeds	44,649	-	-	-	44,649
Sale of Capital Assets	11,307	-	-	-	11,307
Total Other Financing Sources (Uses)	\$ 247,573	\$ (7,085)	\$ -	\$ -	\$ 240,488
Net Change in Fund Balances	\$ 2,668,479	\$ 78,083	\$ 3,035	\$ 168,822	\$ 2,918,419
Fund Balances - Beginning of Year (as restated)	10,413,443	2,584,276	99,789	1,574,785	14,672,293
Fund Balances - End of Year	\$ 13,081,922	\$ 2,662,359	\$ 102,824	\$ 1,743,607	\$ 17,590,712

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 \$ 2,918,419

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 (\$1,389,220) exceeded depreciation (\$720,503) in the current period.

668,717

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.

(37,016)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

121,913

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 (\$0) and note proceeds (\$44,649) exceeded payments (\$123,548).

78,899

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

Decrease in net pension asset	\$ (1,077,102)
Increase in deferred outflows from pension plans	700,097
Increase in net pension liability	(838,298)
Decrease in deferred inflows from pension plans	1,290,518
	75,215

75,215

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	\$ (34,930)
Increase in deferred outflows from other postemployment benefits	19,665
Decrease in net other postemployment benefits liability	15,604
Decrease in deferred inflows from other postemployment benefits	19,831
	20,170

20,170

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 (\$61,754) exceeded the addition of new capital leases (\$96,804).

(35,050)

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	\$ 13,250
Decrease in entity-wide interest payable	1,381
Increase in compensated absences	(6,318)
Timing difference of due from/to other funds	28
Decrease in claims and judgments payable	11,749
	20,090

20,090

Change in Net Position of Governmental Activities

\$ 3,831,357

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, 2023
(expressed in thousands)

	Business-Type Activities - Enterprise Funds				Total
	Employment Security Commission	Water Resources Board	Office of Management and Enterprise Services	Lottery Commission	
Assets					
Current Assets					
Cash/Cash Equivalents	\$ 678,491	\$ 277,137	\$ 97,121	\$ 58,468	\$ 1,111,217
Investments	-	-	243,914	-	243,914
Accounts Receivable	226	-	111,120	15,146	126,492
Interest and Investment Revenue Receivable	2,553	15,167	6,044	-	23,764
Federal Grants Receivable	-	1,293	-	-	1,293
Taxes Receivable	122,262	-	-	-	122,262
Notes Receivable	-	109,867	-	-	109,867
Other Receivables	-	46	-	-	46
Due from Component Units	61	-	-	-	61
Due from Other Funds	3	-	33	-	36
Other Current Assets	-	7	41,540	-	41,547
Total Current Assets	\$ 803,596	\$ 403,517	\$ 499,772	\$ 73,614	\$ 1,780,499
Noncurrent Assets					
Cash/Cash Equivalents, Restricted	\$ -	\$ 129,319	\$ -	\$ -	\$ 129,319
Long Term Investments	-	2,608	-	-	2,608
Long Term Investments, Restricted	-	39,450	-	-	39,450
Long Term Notes Receivable	-	2,102,974	-	-	2,102,974
Net Other Postemployment Benefits	-	-	131	-	131
Capital Assets, Net	-	412	2,822	96	3,330
Other Noncurrent Assets	-	-	-	4,832	4,832
Total Noncurrent Assets	\$ -	\$ 2,274,763	\$ 2,953	\$ 4,928	\$ 2,282,644
Total Assets	\$ 803,596	\$ 2,678,280	\$ 502,725	\$ 78,542	\$ 4,063,143
Deferred Outflows of Resources					
Deferred Other Postemployment Benefits	\$ -	\$ -	\$ 104	\$ -	\$ 104
GASB 87 Outflow	-	-	-	1,169	1,169
Deferred Pension Plan Outflows	-	-	2,443	-	2,443
Total Deferred Outflows	\$ -	\$ -	\$ 2,547	\$ 1,169	\$ 3,716
Liabilities					
Current Liabilities					
Accounts Payable and Accrued Liabilities	\$ 1,660	\$ 288	\$ 91,282	\$ 61,069	\$ 154,299
Interest Payable	-	15,597	122,732	-	138,329
Compensated Absences	-	146	-	269	415
Revenue Bonds, net	-	62,155	-	-	62,155
Due to Fiduciary Funds	-	-	-	1,744	1,744
Due to Other Funds	-	-	-	6	6
Other Current Liabilities	1,065	1,724	36,466	-	39,255
Total Current Liabilities	\$ 2,725	\$ 79,910	\$ 250,480	\$ 63,088	\$ 396,203
Noncurrent Liabilities					
Revenue Bonds (including Premiums)	\$ -	\$ 1,738,535	\$ -	\$ -	\$ 1,738,535
Net Pension Liability	-	-	2,020	841	2,861
Compensated Absences	-	62	-	85	147
Other Postemployment Benefits	-	-	441	-	441
Other Noncurrent Liabilities	-	-	9,497	-	9,497
Total Noncurrent Liabilities	\$ -	\$ 1,738,597	\$ 11,958	\$ 926	\$ 1,751,481
Total Liabilities	\$ 2,725	\$ 1,818,507	\$ 262,438	\$ 64,014	\$ 2,147,684
Deferred Inflows of Resources					
Deferred Inflows from Pensions	\$ -	\$ -	\$ 93	\$ -	\$ 93
Deferred Lease Inflow	-	-	-	138	138
Deferred Inflows from OPEB	-	-	82	-	82
Refinancing of Debt	-	17,494	-	-	17,494
Total Deferred Inflows	\$ -	\$ 17,494	\$ 175	\$ 138	\$ 17,807
Net Position					
Invested in Capital Assets	\$ -	\$ 412	\$ 2,822	\$ 96	\$ 3,330
Restricted for:					
Debt Service	-	394,778	-	-	394,778
Lottery Benefits	-	-	-	15,463	15,463
Post Employment Benefits	-	-	131	-	131
Unemployment Benefits	800,871	-	-	-	800,871
Unrestricted	-	447,089	239,706	-	686,795
Total Net Position	\$ 800,871	\$ 842,279	\$ 242,659	\$ 15,559	\$ 1,901,368

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, 2023
(expressed in thousands)

	Business-Type Activities - Enterprise Funds				Total
	Employment Security Commission	Water Resources Board	Office of Management and Enterprise Services	Lottery Commission	
Operating Revenues					
Sales and Services	\$ 364,615	\$ -	\$ 1,116,007	\$ 379,827	\$ 1,860,449
Federal Revenue	59,223	4,433	-	-	63,656
Interest and Investment Revenue	-	54,128	-	-	54,128
Other	(191)	-	(16,287)	503	(15,975)
Total Operating Revenues	\$ 423,647	\$ 58,561	\$ 1,099,720	\$ 380,330	\$ 1,962,258
Operating Expenses					
Facilities Operations and Maintenance	\$ -	\$ -	\$ -	\$ 590	\$ 590
Administration and General	6,578	7,159	52,531	7,646	73,914
Prizes, Commissions and Other	-	-	-	278,584	278,584
Interest	-	46,653	-	-	46,653
Depreciation	-	208	509	66	783
Benefit Payments and Refunds	338,845	-	1,102,812	-	1,441,657
Total Operating Expenses	\$ 345,423	\$ 54,020	\$ 1,155,852	\$ 286,886	\$ 1,842,181
Operating Income (Loss)	\$ 78,224	\$ 4,541	\$ (56,132)	\$ 93,444	\$ 120,077
Nonoperating Revenues (Expense)					
Interest and Investment Revenue	\$ 8,081	\$ 5,407	\$ (43,518)	\$ 824	\$ (29,206)
Other Nonoperating Revenues	5,970	(12)	-	-	5,958
Nonoperating Federal Grants	-	53,681	-	-	53,681
Total Nonoperating Revenues (Expense)	\$ 14,051	\$ 59,076	\$ (43,518)	\$ 824	\$ 30,433
Income (Loss) Before Transfers	\$ 92,275	\$ 63,617	\$ (99,650)	94,268	\$ 150,510
Transfers In	-	1,551	-	-	1,551
Transfers Out	-	(592)	-	(88,336)	(88,928)
Change in Net Position	\$ 92,275	\$ 64,576	\$ (99,650)	\$ 5,932	\$ 63,133
Total Net Position - Beginning of Year	708,596	777,703	342,309	9,627	1,838,235
Total Net Position - Ending	\$ 800,871	\$ 842,279	\$ 242,659	\$ 15,559	\$ 1,901,368

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, 2023
(expressed in thousands)

	Business-Type Activities - Enterprise Funds				
	Employment	Water	Office of Management and	Lottery	Total
	Security Commission	Resources Board	Enterprise Services	Commission	
Cash Flows from Operating Activities					
Receipts from Customers and Users	\$ 340,838	\$ -	\$ 1,379,675	\$ 354,409	\$ 2,074,922
Receipts from Federal Grants	59,233	3,949	-	-	63,182
Payments of Benefits	(346,863)	-	(1,350,320)	-	(1,697,183)
Payments to Suppliers	-	(2,838)	(56,592)	(24,438)	(83,868)
Payments to Employees	-	(2,423)	(9,545)	(3,461)	(15,429)
Payments to Prize Winners	-	-	-	(228,448)	(228,448)
Payments to fund deposit with Multi-State Lottery	-	-	-	(50)	(50)
Payments of Operating Interest Expense	-	(50,156)	-	-	(50,156)
Collections of Interest on Loans to Governmental Units	-	52,957	-	-	52,957
Net Cash Provided (Used) by Operating Activities	\$ 53,208	\$ 1,489	\$ (36,782)	\$ 98,012	\$ 115,927
Cash Flows from Noncapital Financing Activities					
Federal Grants and Other Contributions	\$ 6,152	\$ 431,469	\$ -	\$ -	\$ 437,621
Transfers In	-	1,550	-	-	1,550
Transfers Out	-	(591)	-	(78,491)	(79,082)
Nonoperating expenses	-	-	-	-	-
Principal Paid on Bonds and Notes Payable	-	(53,104)	-	-	(53,104)
Net Cash Provided (Used) by Noncapital Financing Activities	\$ 6,152	\$ 379,324	\$ -	\$ (78,491)	\$ 306,985
Cash Flows from Capital and Related Financing Activities					
Payments for Acquisition of Capital Assets	\$ -	\$ -	\$ (1,779)	\$ (1)	\$ (1,780)
Net Cash Used by Capital and Related Financing Activities	\$ -	\$ -	\$ (1,779)	\$ (1)	\$ (1,780)
Cash Flows from Investing Activities					
Interest and Investment Revenue	\$ 6,922	\$ 5,016	\$ 5,174	\$ 824	\$ 17,936
Proceeds from Sale and Maturity of Investments	-	5,540	246,817	-	252,357
Payments to Purchase Investments	-	(722)	(204,166)	-	(204,888)
Collections of Principal on Loans to Governmental Units	-	104,360	-	-	104,360
Payments to Issue Notes Receivable	-	(348,862)	-	-	(348,862)
Net Cash Provided by Investing Activities	\$ 6,922	\$ (234,668)	\$ 47,825	\$ 824	\$ (179,097)
Net Increase in Cash/Cash Equivalents	\$ 66,282	\$ 146,145	\$ 9,264	\$ 20,344	\$ 242,035
Cash/Cash Equivalents - Beginning of Year	612,208	260,311	87,857	38,124	998,500
Cash/Cash Equivalents - End of Year	\$ 678,490	\$ 406,456	\$ 97,121	\$ 58,468	\$ 1,240,535
Reconciliation of Operating Income (Loss) to Net Cash Used by Operating Activities					
Operating Income (Loss)	\$ 78,224	\$ 4,541	\$ (56,132)	\$ 93,446	\$ 120,079
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:					
Depreciation Expense	-	207	509	66	782
Amortization (Accretion) and Other Noncash Expenses	-	(5,081)	-	-	(5,081)
Decrease (Increase) in Assets					
Accounts Receivable	(23,586)	-	16,543	(1,799)	(8,842)
Federal Receivable	10	-	-	-	10
Interest and Investment Receivable	-	(1,418)	-	-	(1,418)
Deposit with Multi-State Lottery	-	-	-	(50)	(50)
Other Receivables	-	-	(5,303)	1,395	(3,908)
Increase (Decrease) in Liabilities					
Accounts Payable and Accrued Liabilities	(1,440)	(63)	13,142	818	12,457
Interest Payable	-	3,278	-	-	3,278
Prizes Payable	-	-	-	5,624	5,624
Compensated Absences	-	(43)	-	-	(43)
Due to other funds	-	-	-	83	83
Unavailable Revenue	-	-	-	-	-
Other Current Liabilities	-	68	(5,541)	(1,571)	(7,044)
Net Cash Provided (Used) by Operating Activities	\$ 53,208	\$ 1,489	\$ (36,782)	\$ 98,012	\$ 115,927

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, 2023
(expressed in thousands)

	Pension Trust Funds	Custodial Funds
Assets		
Cash/Cash Equivalents	\$ 929,069	\$ 478,275
Investments, at fair value		
Equity Securities	23,997,342	-
Governmental Securities	4,617,526	-
Debt Securities	4,958,784	-
Other Investments	5,832,193	-
Securities Lending Investments	1,168,334	-
Taxes Receivable	-	184,121
Accounts Receivable	-	5,256
Interest and Investment Revenue Receivable	123,431	-
Employer Contributions Receivable	53,301	-
Employee Contributions Receivable	35,378	-
Other Receivables	19,614	-
Due from Broker	845,548	-
Due from Primary Government	102,740	-
Due from Component Units	626	-
Inventory	-	11,598
Capital Assets, Net	4,754	-
Other Assets	709	-
Total Assets	\$ 42,689,349	\$ 679,250
Liabilities		
Accounts Payable	\$ 322,423	\$ 974
Securities Lending Payable	1,168,334	-
Tax Refunds Payable	-	4,209
Due to Brokers	1,411,606	-
Due to Other Funds	55	-
Due to Component Units	13	-
Due to Others	-	662,411
Unearned Revenue	-	11,656
Benefits in the Process of Payment	4,448	-
Other Liabilities	5,049	-
Total Liabilities	\$ 2,911,928	\$ 679,250
Net Position		
Net Position Restricted for Pensions	\$ 39,777,421	

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, 2023
(expressed in thousands)

	<u>Pension Trust Funds</u>	<u>Custodial Funds</u>
Additions		
Contributions		
Employer Contributions	\$ 952,404	\$ -
Employee Contributions	517,361	-
Other Contributions	699,414	-
Total Contributions	<u>\$ 2,169,179</u>	<u>\$ -</u>
Investment Income		
Net Appreciation in Fair Value of Investments	\$ 2,437,828	\$ -
Interest and Investment Revenue	783,582	22,580
Total Investment Earnings	<u>\$ 3,221,410</u>	<u>\$ 22,580</u>
Less Investment Expenses	128,734	19,478
Net Investment Earnings	<u>\$ 3,092,676</u>	<u>\$ 3,102</u>
Taxes Collected for Other Governments	\$ -	\$ 3,967,841
Collections for Beneficiaries	-	395,808
Federal Grants	-	30
Other Collections	-	40,113
Total Additions	<u>\$ 5,261,855</u>	<u>\$ 4,406,894</u>
Deductions		
Administrative and General Expenses	\$ 20,005	\$ -
Benefit Payments and Refunds	3,067,498	394,661
Taxes Disbursed to Other Governments	-	3,996,029
Other Expenditures	-	16,204
Total Deductions	<u>\$ 3,087,503</u>	<u>\$ 4,406,894</u>
Net Increase/(Decrease)	\$ 2,174,352	\$ -
Net Position Reserved for Employees' Pension Benefits		
Beginning of Year	<u>\$ 37,603,069</u>	
End of Year	<u>\$ 39,777,421</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, 2023
(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
Assets								
Current Assets								
Cash/Cash Equivalents - Unrestricted	\$ 60	\$ 115,846	\$ 232,710	\$ 74,607	\$ 5,752	\$ 1,724,289	\$ 218,200	\$ 2,371,464
Investments	32,560	686	11,491	31,039	7,655	1,623,890	170,168	1,877,489
Accounts Receivable	-	27	18,119	52,856	17,520	766,657	41,691	896,870
Interest and Investment								
Revenue Receivable	5,359	996	966	2,172	621	5,925	151	16,190
Federal Grants Receivable	-	1,255	-	-	-	6,237	-	7,492
Notes Receivable	20,311	-	-	-	285	3,793	610	24,999
Other Receivables	-	842	768	-	4,517	42,288	1,695	50,110
Due from Fiduciary Funds	-	-	-	-	-	13	-	13
Due from Component Units	-	-	-	-	-	529	580	1,109
Due from Primary Government	-	-	2,177	2,283	-	36,372	15,846	56,678
Inventory	-	-	10,959	60,762	1,828	19,429	-	92,978
Prepaid Items	-	626	1,434	5,807	-	11,945	1,995	21,807
Other Current Assets	-	-	-	44,080	1,784	40,092	4,410	90,366
Total Current Assets	\$ 58,290	\$ 120,278	\$ 278,624	\$ 273,606	\$ 39,962	\$ 4,281,459	\$ 455,346	\$ 5,507,565
Noncurrent Assets								
Cash/Cash Equivalents - Restricted								
	\$ -	\$ 9,228	\$ 155,159	\$ 8,265	\$ 50,251	\$ 676,180	\$ 188	\$ 899,271
Investments - Restricted	4,159	245,486	214,542	198,298	58,247	2,656,621	-	3,377,353
Long Term Investments								
Unrestricted	-	52,688	-	125,227	-	1,666,843	20,994	1,865,752
Leases Receivables - Component Units	-	3,992	10,723	-	-	-	-	14,715
Net Pension Asset	-	4,271	-	-	-	115	-	4,386
Net Other Postemployment Benefit Asset	-	437	1,077	-	-	16,616	101	18,231
Long Term Notes Receivable, Net								
Unrestricted	92,603	-	-	-	458	20,443	7,269	120,773
Capital Assets								
Depreciable, Net	1,502	3,238	1,311,261	1,151,962	376,772	5,643,033	313,413	8,801,181
Land	-	550	289,466	39,593	-	225,919	17,210	572,738
Construction in Progress	-	9,921	989,093	59,780	1,687	282,124	23,810	1,366,415
Other Noncurrent Assets								
Unrestricted	816	-	-	59,586	187,819	161,213	63,978	473,412
Restricted	-	-	-	-	-	-	36	36
Total Noncurrent Assets	\$ 99,080	\$ 329,811	\$ 2,971,321	\$ 1,642,711	\$ 675,234	\$ 11,349,107	\$ 446,999	\$ 17,514,263
Total Assets	\$ 157,370	\$ 450,089	\$ 3,249,945	\$ 1,916,317	\$ 715,196	\$ 15,630,566	\$ 902,345	\$ 23,021,828
Deferred Outflow of Resources								
Deferred Outflows from Pensions	\$ 3,961	\$ 1,143	\$ 11,701	\$ 24,558	\$ 3,209	\$ 496,575	\$ 2,967	\$ 544,114
Deferred Outflows from OPEB	-	93	633	2,370	-	36,400	-	39,496
Lease Restructuring	-	-	-	-	-	20,673	-	20,673
Advance Refunding of Bonds	1,219	-	45,548	21,655	23,713	17,991	-	110,126
Defeasance of Bonds	-	-	-	-	-	142	-	142
Accumulated Decrease in Fair Value of Derivatives	-	-	-	4,027	1,327	-	-	5,354
Asset Retirement Obligations	-	-	-	-	-	331	-	331
Total Deferred Outflows	\$ 5,180	\$ 1,236	\$ 57,882	\$ 52,610	\$ 28,249	\$ 572,112	\$ 2,967	\$ 720,236

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
Liabilities								
Current Liabilities								
Accounts Payable and Accrued Liabilities	\$ 5,496	\$ 3,615	\$ 63,712	\$ 49,918	\$ 24,764	\$ 285,477	\$ 26,133	\$ 459,115
Unearned Revenue	-	81,060	47,183	-	-	157,587	48,086	333,916
Claims and Judgements	-	-	-	-	-	2,199	55,499	57,698
Interest Payable	72	614	35,715	3,341	11,226	21,421	269	72,658
Compensated Absences	-	993	621	3,579	-	76,954	528	82,675
Revenue Bonds	-	5,163	67,250	43,080	26,025	93,850	-	235,368
Due to Fiduciary Funds	-	-	-	557	69	-	-	626
Due to Other Component Units	-	-	3	180	-	580	346	1,109
Due to Primary Government	1	18	-	86	-	2,210	28	2,343
Right to Use Leases	-	-	676	-	186	72,716	1,051	74,629
Right to Use Leases - Primary Government	-	-	-	-	-	34,990	-	34,990
Notes Payable	-	-	50,000	-	3,787	1,804	-	55,591
Other Current Liabilities	-	-	218	-	1,249	572,563	11,219	585,249
Total Current Liabilities	\$ 5,569	\$ 91,463	\$ 265,378	\$ 100,741	\$ 67,306	\$ 1,322,351	\$ 143,159	\$ 1,995,967
Noncurrent Liabilities								
Claims and Judgements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,294	\$ 366,272	\$ 367,566
Due to Primary Government	-	-	55,005	-	-	-	-	55,005
Right to Use Leases	-	-	1,331	-	7,600	555,340	3,839	568,110
Right to Use Leases-Primary Government	-	-	-	-	-	368,590	-	368,590
Compensated Absences	-	-	2,296	2,011	-	53,060	197	57,564
Net Pension Liability	10,612	-	9,676	21,296	2,744	1,722,374	2,255	1,768,957
Notes Payable	76,185	-	120,116	-	19,223	15,582	-	231,106
General Obligation Bonds	-	-	-	-	-	-	30,000	30,000
Net Other Postemployment Benefit Liability	-	-	1,780	18,445	-	290,487	160	310,872
Unamortized Premium (Discount) on refunding	-	7,213	125,196	66,947	30,834	101,948	-	332,138
Revenue Bonds	-	184,882	1,586,640	779,865	529,858	1,765,380	3,000	4,849,625
Other Noncurrent Liabilities	328	-	-	9,988	78	63,300	10	73,704
Total Noncurrent Liabilities	\$ 87,125	\$ 192,095	\$ 1,902,040	\$ 898,552	\$ 590,337	\$ 4,937,355	\$ 405,733	\$ 9,013,237
Total Liabilities	\$ 92,694	\$ 283,558	\$ 2,167,418	\$ 999,293	\$ 657,643	\$ 6,259,706	\$ 548,892	\$ 11,009,204
Deferred Inflow of Resources								
Accumulated Increase in Fair Value	\$ -	\$ 842	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 842
Service Concession Arrangements	-	-	10,880	-	27,100	88,226	-	126,206
Deferred pension plan inflows	284	4,938	469	2,111	126	234,363	177	242,468
Deferred OPEB plan inflows	-	275	1,508	2,305	-	72,119	-	76,207
Restructured Debt	-	-	-	-	-	7,522	-	7,522
Deferred Regulation inflows	-	-	9,529	121,301	16,539	-	6	147,375
Total Deferred Inflows	\$ 284	\$ 6,055	\$ 22,386	\$ 125,717	\$ 43,765	\$ 402,230	\$ 183	\$ 600,620
Net Position								
Net Investment in Capital Assets	\$ 1,502	\$ 13,709	\$ 713,590	\$ 345,268	\$ (18,543)	\$ 3,355,834	\$ 349,156	\$ 4,760,516
Restricted for:								
Debt Service	-	57,683	154,456	25,130	26,483	70,567	-	334,319
Other Special Purpose								
Nonexpendable	-	-	-	-	-	1,347,633	-	1,347,633
Expendable	13,057	422	29,068	60,276	-	4,133,608	33,168	4,269,599
Unrestricted	55,013	89,898	220,909	413,243	34,097	633,100	(26,087)	1,420,173
Total Net Position	\$ 69,572	\$ 161,712	\$ 1,118,023	\$ 843,917	\$ 42,037	\$ 9,540,742	\$ 356,237	\$ 12,132,240

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, 2023
(expressed in thousands)

	Program Revenues				General Revenue		Net Position Beginning of Year	Net Position End of Year
	Expenses	Charges for	Operating	Net (Expense) Revenue	Payments from	Change in Net Position		
		Services	Grants and Contributions		Primary Government			
Component Units:								
Oklahoma Student Loan Authority	\$ 36,492	\$ 36,670	\$ -	\$ 178	\$ -	\$ 178	\$ 69,394	\$ 69,572
Housing Finance Agency	177,319	(12,713)	154,779	(35,253)	-	(35,253)	196,965	161,712
Oklahoma Turnpike Authority	316,407	356,495	-	40,088	-	40,088	1,077,935	1,118,023
Grand River Dam Authority	598,174	663,325	-	65,151	-	65,151	778,766	843,917
Oklahoma Municipal Power Authority	224,912	225,153	-	241	-	241	41,796	42,037
Higher Education Component Unit	5,218,312	2,975,928	2,004,348	(238,036)	887,775	649,739	8,891,003	9,540,742
Nonmajor Component Units	816,498	652,451	79,059	(84,988)	192,524	107,536	248,701	356,237
Total Component Units	<u>\$ 7,388,114</u>	<u>\$ 4,897,309</u>	<u>\$ 2,238,186</u>	<u>\$ (252,619)</u>	<u>\$ 1,080,299</u>	<u>\$ 827,680</u>	<u>\$ 11,304,560</u>	<u>\$ 12,132,240</u>

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



Lands purchased through the State Wildlife Grant Program, such as portions of Cimarron Hills Wildlife Management Area seen here, provide habitat for dozens of species of greatest conservation need, including the lesser prairie-chicken (right), and black-tailed prairie dog.





NOTES TO THE FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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).

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.

The state was required to implement this standard for the fiscal year ending June 30, 2023.

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.

The state was required to implement this standard for the fiscal year ending June 30, 2023.

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.

The state was required to implement this standard for the fiscal year ending June 30, 2023.

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.

The state was required to implement this standard for the fiscal year ending June 30, 2023.

New Accounting Statements Issued Not Yet Adopted:

GASB Statement number 99, *Omnibus 2022*, addresses requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of GASB Statement number 53.

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.

GASB Statement number 102, *Certain Risk Disclosures*, establishes financial reporting requirements for risks related to vulnerabilities due to certain concentrations or constraints which limit the ability to acquire resources or control spending.

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, 2023, 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, 2023, and their report, dated January 12, 2024, 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, 2022, and their report, dated January 24, 2023, 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, 2022, and their report, dated March 31, 2023, 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, 2022, and their report, dated March 31, 2023, 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, 2022, and their report, dated March 31, 2023, 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.

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, 2023, and their report, dated November 17, 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, 2023, and their report, dated October 10, 2023, 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, 2022, and their report, dated April 26, 2023, 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, 2023, and their report, dated October 27, 2023, 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, 2023, and their report, dated October 19, 2023, 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, 2023, and their report, dated September 14, 2023, 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, 2023, and their report, dated October 27, 2023, 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, 2023, and their report, dated October 19, 2023, 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, 2023, and their report, dated October 16, 2023, 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, 2023, and their report, dated October 9, 2023, 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, 2023, and their report, dated October 9, 2023, 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, 2023, and their report, dated September 15, 2023, 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, 2023, and their report, dated October 20, 2023, 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 60 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 60 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, 2023, and for the year then ended, except for the following funds and entities which were audited by other independent auditors.

Multiple Injury Trust Fund	12-31-22
Employees Group Insurance Department	12-31-22
Oklahoma Turnpike Authority	12-31-22
Grand River Dam Authority	12-31-22
Oklahoma Municipal Power Authority	12-31-22
Oklahoma Housing Finance Agency	09-30-22

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, 2023, 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 2023 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 contracted 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 2023, the state received \$183,000 from the federal government's Coronavirus Relief Fund to distribute for coronavirus relief efforts. At the end of the prior fiscal year, \$30,239,000 remained in undisbursed funds. Disbursements of \$30,422,000 were made to cities, counties, and state agencies for qualified expenses.

The state also received \$52,138,000 in Emergency Rental Assistance Program funds from the federal government in fiscal year 2023. At the end of the prior fiscal year, \$49,852,000 remained in undisbursed funds. Disbursements of \$101,990,000 were used to assist eligible households having difficulty with timely rent and utility payments due to the coronavirus pandemic.

The state additionally received \$935,209,000 in Coronavirus State and Local Fiscal Recovery Funds from the federal government during fiscal year 2023. At the end of the prior fiscal year, \$931,126,000 remained in undisbursed funds. Disbursements of \$294,244,000 were transferred to respond to the COVID-19 public health emergency or its negative economic impacts. The remaining \$1,572,091,000 in undisbursed funds are 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 60 days thereafter to pay obligations due on June 30. Revenue that is not collected within 60 days of the 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 \$388,813,000 on December 31, 2022. 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, 2023, two agencies incurred expenses of \$390,000 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 \$4,004,000 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	7.5%	\$50 Million	365 Days	Not Rated
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%	(I)	AAAm
Foreign Bonds	2.5%	Must be listed as an industrialized country by the International Monetary Fund	4 Years	A-/A3 or better

(I) SEC registered 2(A) - Weighted average maturity can't exceed 60 days

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, 2023 (expressed in thousands):

Investments – Primary Government

Investment Type	Government Administration	Permanent Funds	Business-Type Activities	Total Primary Government
POOLED INVESTMENTS				
U.S. Agency & Treasury	\$ 13,102,768	\$ 12,019	\$ -	\$ 13,114,787
Money Market Mutual Funds	1,203,108	11,928	-	1,215,036
Securities Lending Collateral Pool	1,047,255	158,142	-	1,205,397
Mutual Funds	-	54,976	-	54,976
Certificates of Deposit & Commercial Paper	41,224	-	-	41,224
State & Muni Bond Issues	30,000	1,316	-	31,316
Foreign Corporate Bonds	46,948	-	-	46,948
NON-POOLED INVESTMENTS				
U.S. Agency & Treasury	304	475,233	143,290	618,827
Domestic Corporate Bonds	-	935,767	40,916	976,683
Foreign Corporate Bonds	-	275,746	-	275,746
Domestic Equities	81,114	1,353,150	138,935	1,573,199
Foreign Equities	-	503,636	-	503,636
Other	-	747,673	92,150	839,823
Money Market Mutual Funds	3	-	-	3
Totals	\$ 15,552,724	\$ 4,529,586	\$ 415,291	\$ 20,497,601

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, 2023 (expressed in thousands):

	Primary Government 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)
Investments Measured by Fair Value				
Debt Securities				
U.S. Treasury, Agency & Municipal Securities	\$ 13,764,930	\$ 8,292,683	\$ 5,472,247	-
Certificates of Deposit & Commercial Paper	41,224	41,224	-	-
U.S. Corporate Debt	976,683	-	975,988	695
Foreign Corporate Bonds	322,694	-	275,746	46,948
Equity Securities				
U.S. Domestic Equities	1,353,462	1,235,977	56	117,429
Foreign Equities	266,245	266,245	-	-
Mutual Funds	54,976	54,976	-	-
Other	550,525	193,634	212,394	144,497
Total Investments Measured at Fair Value	<u>\$ 17,330,739</u>			
Investments Measured at Amortized Cost	<u>\$ 1,215,039</u>			
Investments Measured at Net Asset Value	<u>\$ 746,426</u>			

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, 2023 (expressed in thousands):

	Pension Trust Funds 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)
Investments Measured by Fair Value				
Debt Securities				
U.S. Treasury, Agency & Municipal Securities	\$ 4,205,192	\$ 58,288	\$ 4,069,047	\$ 77,857
U.S. Corporate Debt	3,829,149	-	3,665,220	163,929
Foreign Corporate Bonds	1,129,635	203,115	723,906	202,614
Equity Securities				
U.S. Domestic Equities	17,219,174	14,992,760	2,220,776	5,638
Foreign Equities	2,079,230	1,285,698	793,532	-
Other	1,486,460	11,458	-	1,475,002
Total Investments Measured at Fair Value	<u>\$ 29,948,840</u>			
Investments Measured at Net Asset Value	<u>\$ 9,457,005</u>			

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, 2023 (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)
Investments Measured by Fair Value				
Debt Securities				
U.S. Treasury, Agency & Municipal Securities	\$ 1,224,157	\$ 759,688	\$ 464,469	\$ -
U.S. Corporate Debt	836,475	768,306	68,169	-
Foreign Corporate Bonds	52,714	6,043	46,671	-
Equity Securities				
U.S. Domestic Equities	848,002	662,314	56,022	129,666
Foreign Equities	99,578	99,578	-	-
Other	626,746	54,541	237,827	334,378
Total Investments Measured at Fair Value	\$ 3,687,672			
Investments Measured at Amortized Cost	\$ 450,145			
Investments Measured at Net Asset Value	\$ 2,982,777			

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, 2023, 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 \$608,163,000 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, 2023, the pension trust funds had deposits and cash equivalents of \$929,069,000 of which \$52,621,000 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, 2023, 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	\$ 12,411,881	\$ 1,259	\$ 38,676	\$ -	\$ 12,451,816
Aa/AA/AA	2,544,130	102	13,824	205	2,558,261
A/A/A	6,950	554	89,727	25,312	122,543
Baa/BBB/BBB	1,426	3,043	274,777	110,962	390,208
Ba/BB/BB	-	1,356	165,778	64,175	231,309
B/B/B	-	109	145,698	49,082	194,889
Caa/CCC/CCC	-	300	6,144	3,419	9,863
Ca/CC/CC	-	203	396	-	599
C/C/C	-	-	139	-	139
Not Rated/Not Applicable	15,578	563	241,528	62,050	319,719
Total	\$ 14,979,965	\$ 7,489	\$ 976,687	\$ 315,205	\$ 16,279,346

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, 2023, the pension trust funds had the following credit risk exposure (expressed in thousands):

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	\$ 3,499,015	\$ 5,797	\$ 403,329	\$ -	\$ 3,908,141
Aa/AA/AA	16,891	371	89,848	61,976	169,086
A/A/A	7,152	1,342	585,602	64,335	658,431
Baa/BBB/BBB	69,131	31,359	1,374,222	610	1,475,322
Ba/BB/BB	28,426	23,412	783,517	-	835,355
B/B/B	13,521	1,261	85,796	538,978	639,556
Caa/CCC/CCC	-	-	23,450	55,578	79,028
Ca/CC/CC	-	-	1,641	-	1,641
D/D/D	-	-	26	-	26
Not Rated/Not Applicable	963,753	102,321	481,718	261,932	1,809,724
Total	\$ 4,597,889	\$ 165,863	\$ 3,829,149	\$ 983,409	\$ 9,576,310

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, 2023, the component units had the following credit risk exposure (expressed in thousands):

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	\$ 1,231,114	\$ -	\$ 314,721	\$ -	\$ 1,545,835
Aa/AA/AA	926	-	-	-	926
Not Rated/Not Applicable	-	-	971,899	70,161	1,042,060
Total	\$ 1,232,040	\$ -	\$ 1,286,620	\$ 70,161	\$ 2,588,821

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, 2023, the primary government had the following investments with maturities (expressed in thousands):

Interest Rate Risk - Primary Government					
	U.S. Treasury, Agency and Municipal Securities	International Government Instruments	U.S. Corporate Debt Instruments	International Debt Instruments	Total
Weighted Average Years to Maturity					
Less than 1 year Weighted Average to Maturity	\$ 1,264,621	\$ -	\$ 451	\$ 46,948	\$ 1,312,020
1 - 5 years	13,345,154	-	190,004	268,257	13,803,415
6 - 10 years	147,899	7,489	785,442	-	940,830
10 or more years	50,952	-	787	-	51,739
No Maturity or Not Applicable	171,339	-	3	-	171,342
Total	<u>\$ 14,979,965</u>	<u>\$ 7,489</u>	<u>\$ 976,687</u>	<u>\$ 315,205</u>	<u>\$ 16,279,346</u>

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, 2023, 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
Weighted Average Years to Maturity					
Less than 1 year Weighted Average to Maturity	\$ 14,733	\$ 1,275	\$ 28,133	\$ -	\$ 44,141
1 - 5 years	106,981	126,450	2,776,773	657,873	3,668,077
6 - 10 years	3,284,990	19,027	730,502	64,945	4,099,464
10 or more years	1,159,551	19,111	228,507	3,618	1,410,787
No Maturity or Not Applicable	31,634	-	65,234	256,973	353,841
Total	<u>\$ 4,597,889</u>	<u>\$ 165,863</u>	<u>\$ 3,829,149</u>	<u>\$ 983,409</u>	<u>\$ 9,576,310</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, 2023, 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
Weighted Average Years to Maturity					
Less than 1 year Weighted Average to Maturity	\$ 139,762	\$ -	\$ 97,362	\$ -	\$ 237,124
1 - 5 years	673,692	-	77,779	-	751,471
6 - 10 years	90,944	-	65,016	-	155,960
10 or more years	18,425	-	25,804	-	44,229
No Maturity or Not Applicable	309,217	-	1,020,659	70,161	1,400,037
Total	<u>\$ 1,232,040</u>	<u>\$ -</u>	<u>\$ 1,286,620</u>	<u>\$ 70,161</u>	<u>\$ 2,588,821</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, 2023, 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	\$ -	\$ 351	\$ -	\$ 351
Australian dollar	-	-	53	53
Bermudian dollar	3,164	2,619	-	5,783
Brazilian real	4,041	416	41	4,498
British pound sterling	49,784	7,043	137	56,964
Canadian dollar	3,535	9,174	47	12,756
Cayman dollar	8,738	2,832	-	11,570
CFA franc bceao	-	159	-	159
Colombian peso	-	129	5	134
Danish krone	11,710	-	-	11,710
Dominican peso	-	178	-	178
Egyptian pound	-	109	-	109
Emirati dirham	-	187	-	187
Euro	85,225	15,108	711	101,044
Hong Kong dollar	7,114	-	-	7,114
Indian rupee	6,355	-	-	6,355
Indonesian rupiah	-	1,101	8	1,109
International	-	1,470	-	1,470
Japanese yen	33,591	-	-	33,591
Jersey pound	4,178	323	-	4,501
Liberian dollar	73	477	-	550
Mexican nuevo peso	-	2,513	71	2,584
Nigerian naira	-	142	-	142
Panamanian balboa	-	1,094	-	1,094
Peruvian nuevo sol	-	416	-	416
Polish zloty	-	554	17	571
Romanian Leu	-	100	-	100
Russian ruble	-	525	-	525
South African rand	-	705	2	707
South Korean won	8,804	-	-	8,804
Swedish krona	4,752	162	-	4,914
Swiss franc	25,762	-	-	25,762
Thai baht	9,668	-	-	9,668
West African Rand	-	93	-	93
Totals	\$ 266,494	\$ 47,980	\$ 1,092	\$ 315,566

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, 2023 (expressed in thousands):

Foreign Currency Risk - Pension Trust Funds

Currency	Equities	Debt Instruments	Cash and Equivalents	Total
Argentine peso	\$ -	\$ -	\$ 18	\$ 18
Australian dollar	128,277	(3,706)	561	125,132
Brazilian real	45,247	(222)	416	45,441
British pound sterling	592,594	18,352	1,647	612,593
Canadian dollar	204,244	6,448	880	211,572
Chinese yuan	18,148	-	421	18,569
Columbia peso	1,638	-	-	1,638
Danish krone	68,663	6,039	197	74,899
Emirati dirham	8,968	-	104	9,072
Euro	1,128,399	39,778	1,884	1,170,061
Hong Kong dollar	236,603	(10,723)	1,874	227,754
Hungarian forint	1,185	-	70	1,255
Indonesian rupiah	16,959	3,618	312	20,889
Japanese yen	600,495	13,586	3,352	617,433
Malaysian ringgit	23,177	-	348	23,525
Mexican peso	21,772	3,152	160	25,084
New Israeli shekel	3,538	1,380	-	4,918
New Taiwan dollar	151,866	(108)	59	151,817
New Turkish lira	-	-	382	382
New Zealand dollar	2,940	-	74	3,014
Norwegian krone	6,604	1,584	200	8,388
Philippines peso	17,145	-	83	17,228
Polish zloty	14,166	(7,800)	156	6,522
Qatari rial	9,942	-	199	10,141
Singapore dollar	50,446	(10,652)	158	39,952
South African rand	25,749	(3,642)	357	22,464
South Korean won	145,404	(59)	571	145,916
Swedish krona	86,154	5,861	367	92,382
Swiss franc	198,208	13,256	213	211,677
Thai baht	25,644	-	176	25,820
Turkish lira	15,044	(8,111)	100	7,033
Totals	<u>\$ 3,856,495</u>	<u>\$ 65,073</u>	<u>\$ 15,441</u>	<u>\$ 3,937,009</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, 2023, 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, 2023, there were no securities on loan. The collateral balance of \$1,047,000 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, 2023, 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, 2023, the fair value of securities on loan was \$153,853,000. The collateral for securities lent had a market value of \$158,142,000. 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, 2023, 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, 2023, the carrying amount and fair value of securities on loan was approximately \$1,722,609,000. The underlying collateral for these securities had a fair value of approximately \$1,771,329,000. Collateral of securities and letters of credit represented approximately \$602,997,000 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, 2023, 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 instruments 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, 2023, 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	\$ 1,758	Net Receivable	\$ (116)	Investment Income	\$ (696)

Derivative Instrument Investments - Fiduciary Funds and Similar Component Units

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, 2023, 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	\$ 815,787	Investment	\$ 815,211	Investment Income	\$ (576)

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, 2023, including the applicable allowances for uncollectible accounts, are presented below (expressed in thousands):

	General Fund		Proprietary Fund		Component Units	
	Accounts Receivable	Accounts Receivable	Taxes Receivable	Accounts Receivable	Notes Receivable	
Gross Receivables	\$ 294,243	\$ 129,162	\$ 201,046	\$ 1,174,427	\$ 149,145	
Less:						
Allowance for Uncollectibles	(107,155)	(2,670)	(78,784)	(277,557)	(3,373)	
Net Receivables	\$ 187,088	\$ 126,492	\$ 122,262	\$ 896,870	\$ 145,772	

Note 4. Interfund Accounts and Transfers

A. Due from Other Funds/Due to Other Funds

A summary of interfund obligations as of June 30, 2023, 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 Component Units
Governmental Funds										
General Fund	\$ -	\$ 298	\$ 6	\$ 55	\$ 57,287	\$ -	\$ 4,978	\$ 36	\$ 100,996	\$ 55,305
Commissioners of the Land Office Permanent Fund	4,825	-	-	-	-	-	-	-	-	-
Dept of Wildlife Conservation Permanent Fund	153	-	-	-	-	-	-	-	-	-
Tobacco Settlement Permanent Fund	-	-	-	-	-	298	-	-	-	2,341
Total Governmental Funds	\$ 4,978	\$ 298	\$ 6	\$ 55	\$ 57,287	\$ 298	\$ 4,978	\$ 36	\$ 100,996	\$ 57,646
Enterprise Funds										
Office of Management and Enterprise Services	\$ 33	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Oklahoma Employment Security Commission	\$ 3	\$ -	\$ -	\$ -	\$ 61	\$ -	\$ -	\$ -	\$ -	\$ -
Oklahoma Lottery Commission	-	-	-	-	-	6	-	-	1,744	-
Total Enterprise Funds	\$ 36	\$ -	\$ -	\$ -	\$ 61	\$ 6	\$ -	\$ -	\$ 1,744	\$ -
Fiduciary Funds										
Pension Trust Funds:										
Firefighters Pension and Retirement System	\$ 22,088	\$ -	\$ -	\$ -	\$ -	\$ 4	\$ -	\$ -	\$ -	\$ -
Oklahoma Law Enforcement Retirement System	4,100	-	-	-	-	2	-	-	-	-
Oklahoma Public Employees Retirement System	12,760	-	-	-	626	20	-	-	-	-
Oklahoma Police Pension and Retirement	8,590	-	-	-	-	4	-	-	-	-
Teachers' Retirement System of Oklahoma	53,458	-	1,744	-	-	25	-	-	-	13
Total Fiduciary Funds	\$ 100,996	\$ -	\$ 1,744	\$ -	\$ 626	\$ 55	\$ -	\$ -	\$ -	\$ 13
Due From Primary Government										
Due To Primary Government										
	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
Major Component Units:										
Oklahoma Student Loan Authority	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ -	\$ -	\$ -	\$ -
Oklahoma Housing Finance Agency	-	-	-	-	-	18	-	-	-	-
Oklahoma Turnpike Authority	2,177	-	-	-	-	55,005	-	-	-	3
Grand River Dam Authority	2,283	-	-	-	-	86	-	-	557	180
Oklahoma Municipal Power Authority	-	-	-	-	-	-	-	-	69	-
Higher Education	34,025	2,341	6	13	529	2,149	-	61	-	580
Nonmajor Component Units:										
Oklahoma Education Television Authority	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6	\$ -	\$ -	\$ -	\$ -
Oklahoma Industrial Finance Agency	-	-	-	-	-	3	-	-	-	-
Multiple Injury Trust Fund	12,113	-	-	-	-	18	-	-	-	-
University Hospitals Authority	3,718	-	-	-	365	-	-	-	-	346
Oklahoma Development Finance Authority	15	-	-	-	215	1	-	-	-	-
Total Component Units	\$ 54,331	\$ 2,341	\$ 6	\$ 13	\$ 1,109	\$ 57,287	\$ -	\$ 61	\$ 626	\$ 1,109

A reconciliation of interfund receivables and interfund payables on June 30, 2023, follows. Timing differences occur between agencies with a June 30 year end and the component units with years ending September 30 or December 31.

Total Due from Other Funds:		Total Due to Other Funds:	
Wildlife Lifetime Licenses	\$ 153	Tobacco Settlement Endowment	\$ 298
Commissioners of the Land Royalties	4,825	Wildlife Lifetime Licenses	153
Tobacco Settlement Endowment	298	Commissioners of the Land Royalties	4,825
Fiduciary Funds	100,996	Enterprise Funds	42
Component Unit Funds	54,331	Fiduciary Funds	102,740
Due From Permanent Funds		Component Unit Funds	57,652
Component Units	2,341	Due to Fiduciary Funds	
Due from Proprietary Funds		General Fund	55
General Fund	36	Component Unit Funds	13
Due from Enterprise Funds		Due to Component Units	
General Fund	6	General Fund	57,287
Fiduciary Funds	1,744	Enterprise Funds	61
Component Units	6	Fiduciary Funds	626
Due from Fiduciary Funds		Component Unit Funds	1,109
General Fund	55	Total Interfund Payables per	
Component Units	13	Financial Statements	\$ 224,861
Due from Component Units			
General Fund	57,287	Timing Differences: Component Units	
Enterprise Funds	61	Fiscal Year Ending December 31, 2022	(974)
Fiduciary Funds	626	Total Interfund Payables	\$ 223,887
Other Component Unit Funds	1,109		
Total Interfund Receivables per			
Financial Statements	\$ 223,887		

The general fund due from other funds includes \$54,668,000 from Oklahoma Turnpike Authority as of December 31, 2022, 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 \$153,000 from the general fund for legislative mandated transfer of earnings on certain funds. The Commissioners of the Land Office Permanent Fund is due \$4,825,000 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. Right-to-Use Leases

The higher education component unit has entered into right-to-use lease agreements with the general fund's Oklahoma Capital Improvement Authority to lease various facilities, equipment, and improvements. The lease outstanding balances are \$403,579,000 as of June 30, 2023.

C. Interfund Transfers

A summary of interfund transfers for the fiscal year ended June 30, 2023, follows (expressed in thousands):

<u>Transfers From (Out)</u>	<u>Transfers To (In)</u>	<u>For (Purpose)</u>	<u>Amount</u>
Governmental Funds:			
General Fund	Oklahoma Water Resources Board	Payment for administrative costs	\$ 1,551
		Total transfers out of the General Fund	<u>\$ 1,551</u>
Proprietary Funds:			
Oklahoma Water Resources Board	General Fund	Restricted investment revenue	\$ 592
Oklahoma Lottery Commission	General Fund	Transfer for expendable earnings	88,336
		Total transfers in to the General Fund	<u>\$ 88,928</u>
		Net transfers In/Out - General Fund	<u>\$ 87,377</u>

Note 5. Capital Assets

Capital asset activity for the year ended June 30, 2023, was as follows (expressed in thousands):

Primary Government

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, nondepreciable				
Land	\$ 2,069,822	\$ 75,741	\$ (7,348)	\$ 2,138,215
Construction in progress	252,208	76,205	(93,911)	234,502
Right to Use Assets: Land	\$ 1,815	\$ -	\$ (1,113)	\$ 702
Total capital assets, nondepreciable	<u>\$ 2,323,845</u>	<u>\$ 151,946</u>	<u>\$ (102,372)</u>	<u>\$ 2,373,419</u>
Capital assets, depreciable:				
Buildings and improvements	\$ 1,797,026	\$ 69,265	\$ (9,759)	\$ 1,856,532
Equipment	704,970	56,083	(23,508)	737,545
Infrastructure	23,238,683	1,114,491	(8,487)	24,344,687
Right to use lease assets:				
Buildings and improvements	99,617	15,133	(12,702)	102,048
Equipment	35,382	11,974	(1,019)	46,337
Infrastructure	3	-	-	3
Intangible lease assets	-	64,239	-	64,239
Total capital assets, depreciable	<u>\$ 25,875,681</u>	<u>\$ 1,331,185</u>	<u>\$ (55,475)</u>	<u>\$ 27,151,391</u>
Less accumulated depreciation for:				
Buildings and improvements	\$ (906,470)	\$ (25,344)	\$ 426	\$ (931,388)
Equipment	(506,446)	(47,387)	18,941	(534,892)
Infrastructure	(12,961,538)	(587,878)	4,577	(13,544,839)
Right to use lease assets:				
Buildings and improvements	\$ (29,031)	\$ (24,578)	\$ 2,641	\$ (50,968)
Equipment	(15,997)	(12,918)	335	(28,580)
Intangible lease assets	-	(22,398)	-	(22,398)
Total accumulated depreciation	<u>\$ (14,419,482)</u>	<u>\$ (720,503)</u>	<u>\$ 26,920</u>	<u>\$ (15,113,065)</u>
Total capital assets, depreciable, net	<u>\$ 11,456,199</u>	<u>\$ 610,682</u>	<u>\$ (28,555)</u>	<u>\$ 12,038,326</u>
Governmental activities capital assets, net	<u><u>\$ 13,780,044</u></u>	<u><u>\$ 762,628</u></u>	<u><u>\$ (130,927)</u></u>	<u><u>\$ 14,411,745</u></u>
Business-type activities:				
Capital assets, depreciable:				
Equipment	\$ 8,687	\$ 1,779	\$ 38	\$ 10,428
Total capital assets, depreciable	<u>\$ 8,687</u>	<u>\$ 1,779</u>	<u>\$ 38</u>	<u>\$ 10,428</u>
Less accumulated depreciation for:				
Equipment	\$ (6,353)	\$ (783)	\$ (38)	\$ (7,098)
Total accumulated depreciation	<u>\$ (6,353)</u>	<u>\$ (783)</u>	<u>\$ (38)</u>	<u>\$ (7,098)</u>
Business-type activities capital assets, net	<u><u>\$ 2,334</u></u>	<u><u>\$ 996</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,330</u></u>

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

Government Activities:	
Education	\$ 1,330
General government	43,299
Health services	15,596
Legal and judiciary	1,854
Museums	160
Natural resources	13,929
Public safety and defense	32,295
Regulatory services	1,298
Social services	10,122
Transportation	<u>600,620</u>
Total depreciation expense - Governmental Activities	<u>\$ 720,503</u>
Business-type Activities:	
Government administration	\$ 575
Natural resources	<u>208</u>
Total depreciation expense - Business-type Activities	<u>\$ 783</u>

Component Units

Capital asset activity for the year ended June 30, 2023, (December 31, 2022, or September 30, 2022, for those entities identified in Item D of Note 1) was as follows (expressed in thousands):

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 577,243	\$ 11,386	\$ (15,891)	\$ 572,738
Construction in progress	1,162,344	626,892	(422,820)	1,366,416
Total capital assets, not being depreciated	<u>\$ 1,739,587</u>	<u>\$ 638,278</u>	<u>\$ (438,711)</u>	<u>\$ 1,939,154</u>
Capital assets, being depreciated/amortized:				
Buildings and improvements	\$ 11,961,001	\$ 260,634	\$ (95,979)	\$ 12,125,656
Equipment	1,782,589	121,011	(77,094)	1,826,506
Infrastructure	3,428,170	252,238	(116)	3,680,292
Right to use lease assets -Land & Buildings	36,262	9,913	(1,818)	44,357
Right to use lease assets -Equipment	27,023	11,504	(6,090)	32,437
Intangible Assets	-	100,959	(1,202)	99,757
Total capital assets, being depreciated	<u>\$ 17,235,045</u>	<u>\$ 756,259</u>	<u>\$ (182,299)</u>	<u>\$ 17,809,005</u>
Less accumulated depreciation/amortization for:				
Buildings and improvements	\$ (5,026,420)	\$ (311,505)	\$ 73,173	\$ (5,264,752)
Equipment	(1,369,763)	(94,872)	66,874	(1,397,761)
Infrastructure	(2,177,425)	(110,099)	26	(2,287,498)
Right to use lease assets -Land & Buildings	(7,261)	(6,330)	1,763	(11,828)
Right to use lease assets -Equipment	(10,605)	(9,364)	5,609	(14,360)
Intangible Assets	-	(32,829)	1,202	(31,627)
Total accumulated depreciation/amortization	<u>\$ (8,591,473)</u>	<u>\$ (564,999)</u>	<u>\$ 148,647</u>	<u>\$ (9,007,825)</u>
Total capital assets, being deprec./amort.,net	<u>\$ 8,643,572</u>	<u>\$ 191,260</u>	<u>\$ (33,652)</u>	<u>\$ 8,801,180</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, 2022, have been charged to operations for the year ended December 31, 2022. 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, 2023, (December 31, 2022, 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
Current Fiscal Year						
General Fund -						
Office of Management and Enterprise Services (RMD)	\$ 142,350	\$ 1,654	\$ (13,402)	\$ 130,601	\$ 117,199	\$ 13,402
Proprietary Fund -						
Office of Management and Enterprise Services (EGID)	\$ 120,884	\$ 1,087,666	\$ (1,076,320)	\$ 132,230	\$ 9,497	\$ 122,733
Component Unit - *						
Multiple Injury Trust Fund	\$ 457,495	\$ 18,216	\$ (53,940)	\$ 421,771	\$ 366,273	\$ 55,498

* The higher education component unit's claims and judgments (\$1,294 – 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
Prior Fiscal Year						
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

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	25,000	8,000	58,000	-----	33,000	-----
Dependents			-----	62,000	-----	-----

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 12/31/2022	Fiscal Year 12/31/2022	Fiscal Year 12/31/2022	Fiscal Year 12/31/2022
Reserves at beginning of period	\$ 91,839	\$ 21,851	\$ 7,194	\$ 120,884
Incurred claims:				
Provision for insured events of current period	\$ 1,049,356	\$ 38,586	\$ 2,731	\$ 1,090,673
Changes in provisions for insured events of prior periods	(3,910)	2,327	(1,424)	(3,007)
Total incurred claims	\$ 1,045,446	\$ 40,913	\$ 1,307	\$ 1,087,666
Payments:				
Claims attributable to insured events of current period	\$ 945,729	\$ 32,926	\$ 574	\$ 979,229
Claims attributable to insured events of prior periods	86,192	9,113	1,786	97,091
Total payments	\$ 1,031,921	\$ 42,039	\$ 2,360	\$ 1,076,320
Reserves at end of period	\$ 105,364	\$ 20,725	\$ 6,141	\$ 132,230

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 seven programs: Historic Rehabilitation tax credits, Quality Jobs programs (Quality Jobs, Small Employer and 21st Century), Remote Quality Jobs program, 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, 2023, estimated tax credits in the amount of \$60,000,000 were approved for three projects. Historic Rehabilitation tax credits used to reduce tax liability in 2022 was \$8,300,000. An additional \$92,277,000 in estimated tax credits was approved in fiscal year 2023 for 17 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 500 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 21st 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 10% of payroll for up to ten years and requires at least ten full-time jobs at an annual average wage of the lesser of \$112,110 (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, 2023, 90 companies received payments totaling \$50,140,000 as part of Quality Jobs Programs.

The Remote Quality Jobs program was established by the Legislature (68 O.S. §§ 4501-4510) to provide appropriate incentives to attract growth industries that employ remote workers to Oklahoma. The program allows organizations that focus on attracting remote workers by direct marketing, visits and tours by potential remote workers, and monetary payments to remote workers who move to Oklahoma, to receive a rebate of up to 5% of payroll for up to two and one-half years. The remote worker must be already working remotely in the state they were originally located and cannot be employed by an entity participating in another version of the Quality Jobs Program. Other requirements are an annual gross payroll threshold and full-time equivalent employees must work an average of 30 or more hours per week in the new direct jobs equal to or in excess of 80% of the total number of new direct jobs. The program is administered by ODOC and the Oklahoma Tax Commission (OTC). During the fiscal year ended June 30, 2023, no payments were issued for the Remote 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 OTC administer the program. During the fiscal year ended June 30, 2023, 12 film companies received rebates funded from individual income tax amounting to \$9,543,000.

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 ODOC and OTC administer this program. During the fiscal year ended June 30, 2023, 12 film companies received rebates of \$7,338,000 funded from individual income 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. Oklahoma Tourism and Recreation Department and ODOC provide assistance and information, as requested, by OTC to approve or disapprove an economic impact study.

During the fiscal year ended June 30, 2023, three events were certified by the Quality Events Incentive Program, and \$575,000 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.

Business incubator tenants tax exemptions totaled \$3,903,000 for tax year 2021.

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 a patent pending pursuant to federal law and shall be registered with Oklahoma Center for the Advancement of Science and Technology.

The New Products Development Income Tax Exemptions abated totaled \$2,298,000 for tax year 2021.

Nineteen 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, 2023, the amount of tax retained by tribes was 50% resulting in \$52,283,000 of tax abatements.

Information relevant to disclosure of those programs for the fiscal year ended June 30, 2023, is:

Tax Abatement Program	Amount of Taxes Abated (in thousands)
Historic Rehabilitation Tax Credits Used	\$ 8,300
Quality Jobs Programs	50,140
Remote Quality Jobs Program	-
Oklahoma Film Enhancement Rebate	9,543
Filmed in Oklahoma Rebate	7,338
Quality Events Program	575
Business Incubator Tax Exemptions	3,903
New Products Development Tax Exemptions	2,298
Cigarette Tax Tribal Compacts	52,283

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 2073 and may provide renewal options. During the current fiscal year, \$24,307,000 was recognized in lease revenue and \$1,482,000 in interest revenue. Lease agreements with component units recognized \$33,220,000 in lease revenue and \$13,598,000 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):

	2024	2025	2026	2027	2028	Thereafter	Total
Right-to-Use Leases	\$ 21,507	\$ 18,181	\$ 13,943	\$ 8,984	\$ 4,702	\$ 46,928	\$ 114,245
Right-to-Use Leases-Component Unit	36,059	50,846	50,847	50,849	50,865	263,699	503,165
	\$ 57,566	\$ 69,027	\$ 64,790	\$ 59,833	\$ 55,567	\$ 310,627	\$ 617,410
Less: Interest	17,371	15,665	13,796	11,922	10,094	41,253	110,101
Total Principal	<u>\$ 40,195</u>	<u>\$ 53,362</u>	<u>\$ 50,994</u>	<u>\$ 47,911</u>	<u>\$ 45,473</u>	<u>\$ 269,374</u>	<u>\$ 507,309</u>

Component Units

The Oklahoma Educational Television Authority leases excess capacity on various channels to a wireless communications provider. The leases will expire in February 2047. The 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 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 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 presents minimum future leases receivable from these contracts (expressed in thousands):

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>Thereafter</u>	<u>Total</u>
Oklahoma Educational Television Authority	\$ 215	\$ 215	\$ 215	\$ 215	\$ 215	\$ 3,989	\$ 5,064
Oklahoma Development Finance Authority	6		-	-	-	-	6
Oklahoma Turnpike Authority	1,325	1,337	1,350	1,384	1,391	8,649	15,436
Oklahoma Municipal Power Authority	<u>4,517</u>	<u>4,517</u>	<u>4,517</u>	<u>4,517</u>	<u>4,516</u>	<u>4,516</u>	<u>27,100</u>
Total	<u>\$ 6,063</u>	<u>\$ 6,069</u>	<u>\$ 6,082</u>	<u>\$ 6,116</u>	<u>\$ 6,122</u>	<u>\$ 17,154</u>	<u>\$ 47,606</u>

Higher education institutions have entered into various agreements for land and building space leases. Leases expire between 2026 and 2108 and interest rates vary between 0.06% and 2.4%. Leases receivable outstanding balance for higher education institutions was \$85,379,000 as of June 30, 2023.

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

Long-term obligations as of June 30, 2023, 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	\$ 36,125	\$ -	\$ 11,640	\$ 24,485	\$ 12,035
OCIA Series 2010, Refunding/Revenue	2011	1.77%-5.61%	2031	79,820	-	7,160	72,660	7,525
OCIA Series 2013A	2013	2.00%-4.00%	2025	4,605	-	2,105	2,500	1,345
OCIA Series 2014A	2014	2.00%-5.00%	2031	188,260	-	18,470	169,790	19,390
OCIA Series 2014B	2015	2.00%-5.00%	2025	690	-	220	470	230
OCIA Series 2014C	2015	2.00%-5.00%	2035	63,745	-	3,770	59,975	3,920
OCIA Series 2015A	2015	2.00%-5.00%	2025	11,555	-	3,680	7,875	3,845
OCIA Series 2015B	2016	3.00%-5.00%	2027	21,815	-	3,965	17,850	4,140
OCIA Series 2016 DOT	2017	2.00%-5.00%	2035	146,830	-	8,335	138,495	8,740
OCIA Series 2017A, Refunding/Revenue	2017	2.00%-4.00%	2030	13,170	-	2,440	10,730	2,510
OCIA Series 2017B	2017	2.00%-5.00%	2026	37,635	-	7,795	29,840	8,145
OCIA Series 2017C	2018	2.00%-5.00%	2051	26,205	-	520	25,685	535
OCIA Series 2018B	2019	3.71%-4.35%	2049	25,205	-	-	25,205	-
OCIA Series 2018C	2019	3.00%-5.00%	2039	59,235	-	2,345	56,890	2,465
OCIA Series 2018D	2019	2.00%-5.00%	2039	105,225	-	4,150	101,075	4,360
OCIA Series 2019A	2019	2.00%-5.00%	2035	9,970	-	2,090	7,880	2,195
OCIA Series 2019B	2019	3.00%-5.00%	2046	40,245	-	925	39,320	970
OCIA Series 2019C	2020	2.00%-5.00%	2040	56,140	-	2,005	54,135	2,135
OCIA Series 2020A	2020	5.00%	2026	69,700	-	14,295	55,405	14,995
OCIA Series 2020B	2021	2.63%-5.00%	2051	166,820	-	2,780	164,040	2,925
OCIA Series 2020C	2021	0.55%-1.10%	2026	21,605	-	5,335	16,270	5,375
OCIA Series 2020D	2021	3.00%-4.00%	2041	13,390	-	485	12,905	505
OCIA Series 2020E	2021	0.41%-3.08%	2041	47,740	-	2,170	45,570	2,185
OCIA Series 2021A	2022	0.45%-2.90%	2043	161,640	-	5,965	155,675	6,430
OCIA Series 2022A	2022	1.70%-3.94%	2043	17,650	-	-	17,650	680
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	775
Dept of Corrections 2013 (ODFA)	2013	1.40%-5.00%	2023	2,100	-	2,100	-	-
Dept of Corrections 2016A (ODFA)	2017	2.00%-3.00%	2026	1,125	-	270	855	275
DHS-2008 (ODFA)	2008	3.25%-4.15%	2023	1,950	-	1,950	-	-
Law Enforcement Education/Train (ODFA)	2013	2.38%-4.00%	2027	6,654	-	1,274	5,380	1,328
OMES 2019A (ODFA)	2019	3.00%-5.00%	2035	21,515	-	1,355	20,160	1,420
Total				<u>\$ 1,542,434</u>	<u>\$ -</u>	<u>\$ 119,594</u>	<u>\$ 1,422,840</u>	<u>\$ 121,378</u>
Notes Payable:								
OCIA TIFIA 2021-1	2022	1.57%	2045	\$ 42,031	\$ -	\$ -	\$ 42,031	\$ -
OCIA TIFIA 2021-2	2023	2.02%	2045	-	44,649	-	44,649	-
ODOT 2018A, Grant Anticipation	2018	3.00%-5.00%	2034	53,150	-	3,340	49,810	3,505
OMES Equipment Financing	2021	1.79%	2039	14,771	-	614	14,157	683
Total				<u>\$ 109,952</u>	<u>\$ 44,649</u>	<u>\$ 3,954</u>	<u>\$ 150,647</u>	<u>\$ 4,188</u>
Right-to-Use and Intangible Leases				\$ 92,250	\$ 96,804	\$ 61,754	\$ 127,300	\$ 39,926
Compensated Absences				189,827	101,589	95,271	196,145	95,271
Pension Liabilities				75,425	838,298	-	913,723	-
Bond Issue Premiums				128,848	-	13,250	115,598	12,997
Claims and Judgments Payable				142,350	1,653	13,402	130,601	13,402
Other Postemployment Benefits				157,108	-	15,604	141,504	-
Total Long-Term Obligations				<u>\$ 2,438,194</u>	<u>\$ 1,082,993</u>	<u>\$ 322,829</u>	<u>\$ 3,198,358</u>	<u>\$ 287,162</u>

The following table presents annual debt service requirements for those long-term obligations outstanding on June 30, 2023, which have scheduled debt service amounts (expressed in thousands):

	2024	2025	2026	2027	2028	2029-2033	2034-2038	2039-2043	2044-2048	2049-2053	Total
Revenue Bonds:											
OCIA Series 2009B	\$ 13,018	\$ 12,783	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,801
OCIA Series 2010, Refunding/Revenue	11,292	11,282	11,277	11,243	11,224	33,596	-	-	-	-	89,914
OCIA Series 2013A	1,413	1,178	-	-	-	-	-	-	-	-	2,591
OCIA Series 2014A	26,988	26,683	26,536	26,068	26,010	71,057	-	-	-	-	203,342
OCIA Series 2014B	244	245	-	-	-	-	-	-	-	-	489
OCIA Series 2014C	6,387	6,356	6,356	6,348	6,389	31,703	12,693	-	-	-	76,232
OCIA Series 2015A	4,229	4,230	-	-	-	-	-	-	-	-	8,459
OCIA Series 2015B	4,924	4,922	4,922	4,910	-	-	-	-	-	-	19,678
OCIA Series 2016	14,903	14,899	14,900	14,903	14,902	74,517	29,805	-	-	-	178,829
OCIA Series 2017A, Refunding/Revenue	2,853	2,856	2,854	766	763	1,523	-	-	-	-	11,615
OCIA Series 2017B	9,599	9,598	13,830	-	-	-	-	-	-	-	33,027
OCIA Series 2017C	1,583	1,583	1,581	1,578	1,579	7,883	7,866	7,840	7,813	4,666	43,972
OCIA Series 2018B	1,068	1,067	1,068	1,067	1,068	9,152	9,128	9,097	9,063	1,808	43,586
OCIA Series 2018C	5,227	5,228	5,226	5,224	5,224	26,133	26,131	5,224	-	-	83,617
OCIA Series 2018D	8,924	8,893	8,887	8,890	8,877	44,272	44,185	8,833	-	-	141,761
OCIA Series 2019A	2,484	2,493	415	411	411	2,065	829	-	-	-	9,108
OCIA Series 2019B	2,678	2,679	2,676	2,677	2,679	13,388	13,385	13,389	8,037	-	61,588
OCIA Series 2019C	4,570	4,574	4,576	4,578	4,584	22,776	22,803	9,141	-	-	77,602
OCIA Series 2020A	17,390	17,357	25,298	-	-	-	-	-	-	-	60,045
OCIA Series 2020B	9,872	9,872	9,870	9,874	9,870	49,355	49,358	49,355	49,353	29,616	276,395
OCIA Series 2020C	5,511	5,507	5,505	-	-	-	-	-	-	-	16,523
OCIA Series 2020D	992	991	990	988	990	4,937	4,919	2,954	-	-	17,761
OCIA Series 2020E	3,191	3,187	3,185	3,183	3,180	15,859	15,800	9,448	-	-	57,033
OCIA Series 2021A	9,999	9,997	9,999	9,996	9,996	49,989	49,987	49,992	-	-	199,955
OCIA Series 2022A	1,225	1,228	1,228	1,227	1,225	6,105	6,082	6,060	-	-	24,380
OCIA Series 2022B	1,973	3,206	3,206	3,207	3,201	15,983	15,940	15,864	15,789	-	78,369
OCIA Series 2022C	2,563	2,640	2,640	2,637	2,636	13,166	13,112	13,046	12,970	-	65,410
Corrections 2016A (ODFA)	298	305	296	-	-	-	-	-	-	-	899
Law Enforcement Education/Train (ODFA)	1,466	1,464	1,461	1,342	-	-	-	-	-	-	5,733
OMES 2019A (ODFA)	2,360	2,364	2,359	2,361	2,364	11,794	2,364	-	-	-	25,966
	\$ 179,224	\$ 179,667	\$ 171,141	\$ 123,478	\$ 117,172	\$ 505,253	\$ 324,387	\$ 200,243	\$ 103,025	\$ 36,090	\$ 1,939,680
Less: Interest	57,846	52,596	47,138	42,353	38,852	141,567	78,861	39,291	16,239	2,097	516,840
Total Principal	\$ 121,378	\$ 127,071	\$ 124,003	\$ 81,125	\$ 78,320	\$ 363,686	\$ 245,526	\$ 160,952	\$ 86,786	\$ 33,993	\$ 1,422,840
Notes Payable:											
OCIA TIFIA 2021-1	\$ 332	\$ 2,352	\$ 2,351	\$ 2,351	\$ 2,350	\$ 11,752	\$ 11,745	\$ 11,739	\$ 4,694	\$ -	\$ 49,666
OCIA TIFIA 2021-2	-	2,579	2,612	2,612	2,610	13,052	13,040	13,029	5,207	-	54,741
ODOT 2018A, Grant Anticipation	5,908	5,903	5,900	5,897	5,888	29,369	5,853	-	-	-	64,718
OMES Equipment Financing	938	950	962	974	986	5,118	5,445	1,130	-	-	16,503
Less: Interest	2,990	3,964	3,733	3,459	3,171	11,129	4,416	1,942	177	-	34,981
Total Principal	\$ 4,188	\$ 7,820	\$ 8,092	\$ 8,375	\$ 8,663	\$ 48,162	\$ 31,667	\$ 23,956	\$ 9,724	\$ -	\$ 150,647
Right-To-Use and Intangible Leases	\$ 42,233	\$ 33,156	\$ 16,025	\$ 8,102	\$ 4,897	\$ 15,712	\$ 8,517	\$ 7,279	\$ -	\$ -	\$ 135,921
Less: Interest	2,687	1,621	968	698	525	1,387	578	157	-	-	8,621
Total Principal	\$ 39,546	\$ 31,535	\$ 15,057	\$ 7,404	\$ 4,372	\$ 14,325	\$ 7,939	\$ 7,122	\$ -	\$ -	\$ 127,300
Total	\$ 165,112	\$ 166,426	\$ 147,152	\$ 96,904	\$ 91,355	\$ 426,173	\$ 285,132	\$ 192,030	\$ 96,510	\$ 33,993	\$ 1,700,787
Compensated Absences											196,145
Net Pension Liability											913,723
Bond Issue Premiums											115,598
Claims and Judgments Payable											130,601
Other Postemployment Benefits											141,504
Total Long-Term Obligations											\$ 3,198,358

A. Revenue Bonds

The Oklahoma Capitol Improvement Authority has twenty-seven 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 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.

No new revenue bonds were issued during the fiscal year ending June 30, 2023.

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 fiscal year 2034. Total revenue received from the Federal

Highway Administration in fiscal year 2023 was \$864,431,000 with a portion of that amount, \$64,718,000, reserved as security for the notes. Current year note obligations for principal and interest totaled \$5,908,000.

Oklahoma Capital Improvement Authority 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 fiscal year 2023, Oklahoma Capital Improvement Authority borrowed \$44,649,000 at an annual interest rate of 2.02%. Final maturity for this loan is fiscal year 2045. All loans must be repaid no more than 30 years from first maturity.

C. Right-to-Use and Intangible Leases

The state leases a significant number of non-financial assets including land, land improvements, buildings, office space, equipment, and subscription-based information technology. The lease terms of various agreements range from more than one year to 20 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 and intangible assets and associated accumulated amortization are included in Note 5, Capital Assets. The related obligations are presented in amounts equal to the present value of lease 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 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

Revenue bonds previously authorized by the legislature were repealed in 2023. During the 2023 legislative session, the legislature approved the Legacy Capital Financing Act. This legislation is intended to facilitate advanced financing for current and future capital needs, reduce or eliminate financing interest costs associated with private financing and accelerate timelines for project completion. A Legacy Capital Financing Fund (LCFF) was created for OCIA. As provided by law, OCIA is authorized to enter memoranda of understanding with agencies, departments, and subdivisions of the state. The memoranda of understanding do not constitute a legal obligation of the state. Since there is no legal obligation of the state, capital projects legislatively authorized to be funded by the LCFF are not disclosed in this note. Capital project authorizations through the LCFF are disclosed in Note 17, Commitments.

During 2021, the legislature authorized \$200,000,000 in loan borrowings by the Oklahoma Capital Improvement Authority (OCIA) to benefit the Department of Transportation in its eight-year construction plan. Of this amount, \$113,803,000 remains unissued.

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 43 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, 2023, 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:								
2012-2023 Issues	2012-2023	0.19%- 5.00%	2053	\$ 1,394,565	\$ 371,370	\$ 72,475	\$ 1,693,460	\$ 62,155
Adjusted for: Bond Premiums/(Discounts)				92,090	20,086	4,946	107,230	-
Revenue Bonds Payable (Net)				\$ 1,486,655	\$ 391,456	\$ 77,421	\$ 1,800,690	\$ 62,155
Other Noncurrent Liabilities				\$ 54,794	\$ 36,210	\$ 42,252	\$ 48,752	\$ 39,255
Pension Liability				-	2,861	-	2,861	-
Other Postemployment Benefits				486	-	45	441	-
Compensated Absences				489	181	108	562	415
Total Long-Term Obligations				\$ 1,542,424	\$ 430,708	\$ 119,826	\$ 1,853,306	\$ 101,825

The following table presents annual debt service requirements for those long-term obligations outstanding on June 30, 2023, which have scheduled debt service amounts (expressed in thousands):

	2024	2025	2026	2027	2028	2029 - 2033	2034 - 2038	2039 - 2043	2044 - 2048	Thereafter	Total
Revenue Bonds:											
2012-2023 Issues	\$126,069	\$131,678	\$126,254	\$125,762	\$124,466	\$588,468	\$491,894	\$393,946	\$301,870	\$135,803	\$2,546,210
Less: Interest	63,914	62,178	59,474	56,792	54,041	226,433	158,214	102,296	59,755	9,653	852,750
Principal	\$ 62,155	\$ 69,500	\$ 66,780	\$ 68,970	\$ 70,425	\$362,035	\$333,680	\$291,650	\$242,115	\$126,150	\$1,693,460
Adjusted for:											
Bond Premium/(Discounts)											107,230
Other Noncurrent Liabilities											48,752
Pension Liability											2,861
Other Postemployment Benefits											441
Compensated Absences											562
Total Long-Term Obligations											\$1,853,306

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

Long-term obligations at June 30, 2023 (September 30, 2022, for Oklahoma Housing Finance Agency and December 31, 2022, 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
General Obligation Bonds Payable from User Fees:								
Industrial Finance Authority	2001	5.20% - 5.30%	2029	\$ 30,000	\$ -	\$ -	\$ 30,000	\$ -
Total General Obligation Bonds Payable				\$ 30,000	\$ -	\$ -	\$ 30,000	\$ -
Revenue Bonds Payable from User Fees:								
Student Loan Authority	0	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
Development Finance Auth.	1996	4.65%	2046	3,000	-	-	3,000	-
Housing Finance Agency	1992-2022	0.30% - 7.35%	2052	184,755	40,000	34,710	190,045	5,163
Turnpike Authority	2017-2021	0.49% - 5.00%	2048	1,710,235	-	56,345	1,653,890	67,250
Grand River Dam Authority	2010-2017	1.80% - 7.16%	2040	864,620	-	41,675	822,945	43,080
Municipal Power Authority	2006-2022	0.46% - 6.44%	2047	580,133	-	24,250	555,883	26,025
Higher Education	2001-2023	0.05% - 7.00%	2054	1,845,082	83,950	69,802	1,859,230	93,850
Total Before Discounts/Deferrals				\$ 5,187,825	\$ 123,950	\$ 226,782	\$ 5,084,993	\$ -
Adjusted for: Bond (Discount) Premiums				362,287	7,869	38,018	332,138	
Total Revenue Bonds Payable				\$ 5,550,112	\$ 131,819	\$ 264,800	\$ 5,417,131	\$ 235,368
Net of Bond (Discounts) Premiums								
Notes Payable:								
Multiple Injury Trust Fund	2000-2001	7.00%	2023	\$ 1,414	\$ -	\$ 1,414	\$ -	\$ -
Housing Finance Agency	2022	3.15%	2022	-	98,800	98,800	-	-
Oklahoma Turnpike Authority	2021	2.27%	2024	50,000	120,116	-	170,116	50,000
Student Loan Authority	2021	0.058	2036	97,387	-	21,202	76,185	-
Municipal Power Authority	2003	6.00%	2029	25,214	800	3,004	23,010	3,787
Higher Education	2001-2022	4.00% - 8.31%	2046	16,939	1,122	675	17,386	1,804
Total				\$ 190,954	\$ 220,838	\$ 125,095	\$ 286,697	\$ 55,591
Right to Use Leases:								
Education Television Authority				\$ 570	\$ 1,801	\$ 216	\$ 2,155	\$ 191
Development Finance Authority				14	-	3	11	11
OSU Medical Authority				1,899	286	1,036	1,149	470
Oklahoma Turnpike Authority				-	3,014	1,007	2,007	676
Municipal Power Authority				-	7,947	161	7,786	186
Higher Education				1,041,458	21,798	89,729	973,527	85,058
Total				\$ 1,043,941	\$ 34,846	\$ 92,152	\$ 986,635	\$ 86,592
Intangible Leases:								
OSU Medical Authority				\$ -	\$ 2,094	\$ 519	\$ 1,575	\$ 379
Higher Education				-	87,098	28,989	58,109	22,648
Total				\$ -	\$ 89,192	\$ 29,508	\$ 59,684	\$ 23,027
Claims and Judgments								
Due to Primary Government				\$ 462,216	\$ 20,416	\$ 57,368	\$ 425,264	\$ 57,698
Compensated Absences				57,471	57,348	57,471	57,348	2,343
Pension Liability				133,682	95,621	89,064	140,239	82,675
Other Postemployment Benefits				1,120,797	655,596	7,436	1,768,957	-
Other Noncurrent Liabilities				331,159	3,469	23,756	310,872	-
Other Noncurrent Liabilities				936,502	472,193	343,168	1,065,527	991,823
Total Long-Term Obligations				\$ 9,856,834	\$ 1,781,338	\$ 1,089,818	\$ 10,548,354	\$ 1,535,117

The following table presents annual debt service requirements for those long-term obligations outstanding at June 30, 2023 (September 30, 2022, for Oklahoma Housing Finance Agency and December 31, 2022, for Oklahoma Transportation Authority, Grand River Dam Authority and Oklahoma Municipal Power Authority), which have scheduled debt service amounts (expressed in thousands):

	2024	2025	2026	2027	2028	2029-2033	2034-2038	2039-2043	2044-2048	2049-2053	2054-2058	Total
General Obligation Bonds:												
Industrial Finance Authority	\$ 1,580	\$ 11,190	\$ 1,060	\$ 10,795	\$ 530	\$ 10,265	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,420
Less: Interest	1,580	1,190	1,060	795	530	265	-	-	-	-	-	5,420
Total Principal	\$ -	\$ 10,000	\$ -	\$ 10,000	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,000
Revenue Bonds:												
Development Finance Auth.	\$ 165	\$ 165	\$ 165	\$ 165	\$ 165	\$ 5,640	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,465
Housing Finance Agency	11,674	15,079	15,347	15,289	15,035	55,707	54,383	46,066	38,757	17,699	-	285,036
Turnpike Authority	137,528	137,376	137,213	137,041	136,864	553,507	435,343	435,347	435,350	87,069	-	2,632,638
Grand River Dam Authority	82,130	86,081	83,934	84,673	79,054	396,075	248,087	93,371	-	-	-	1,153,405
Municipal Power Authority	47,169	40,872	40,895	40,898	40,895	172,415	145,117	149,701	150,987	-	-	828,949
Higher Education	161,768	153,025	151,633	149,786	144,973	673,256	562,701	400,035	199,509	66,248	2,224	2,665,158
	\$ 440,434	\$ 432,598	\$ 429,187	\$ 427,852	\$ 416,986	\$ 1,856,600	\$ 1,445,631	\$ 1,124,520	\$ 824,603	\$ 171,016	2,224	\$ 7,571,651
Less: Interest	205,066	197,444	188,012	177,962	167,347	686,203	463,948	274,854	115,706	10,072	44	2,486,658
Total Principal	\$ 235,368	\$ 235,154	\$ 241,175	\$ 249,890	\$ 249,639	\$ 1,170,397	\$ 981,683	\$ 849,666	\$ 708,897	\$ 160,944	\$ 2,180	\$ 5,084,993
Notes Payable:												
Turnpike Authority	\$ 51,137	\$ -	\$ -	\$ 1,799	\$ 3,743	\$ 21,471	\$ 23,674	\$ 25,438	\$ 25,978	\$ 26,885	\$ 21,766	\$ 201,891
Student Loan Authority	4,449	4,449	4,449	4,449	4,449	112,832	-	-	-	-	-	135,077
Municipal Power Authority	5,120	4,714	4,517	4,517	4,516	4,516	-	-	-	-	-	27,900
Higher Education	2,622	9,872	3,676	267	217	1,087	1,087	1,088	653	-	-	20,569
	\$ 63,328	\$ 19,035	\$ 12,642	\$ 11,032	\$ 12,925	\$ 139,906	\$ 24,761	\$ 26,526	\$ 26,631	\$ 26,885	\$ 21,766	\$ 385,437
Less: Interest	7,737	6,205	5,648	6,136	6,738	45,299	7,239	5,848	4,260	2,658	972	98,740
Total Principal	\$ 55,591	\$ 12,830	\$ 6,994	\$ 4,896	\$ 6,187	\$ 94,607	\$ 17,522	\$ 20,678	\$ 22,371	\$ 24,227	\$ 20,794	\$ 286,697
Right to Use Leases:												
Education Television Auth.	\$ 258	\$ 207	\$ 153	\$ 153	\$ 153	\$ 687	\$ 655	\$ 591	\$ 18	\$ 19	\$ -	2,894
Development Finance Auth.	4	4	3	-	-	-	-	-	-	-	-	11
OSU Medical Authority	516	338	274	107	-	-	-	-	-	-	-	1,235
Oklahoma Turnpike Auth.	762	607	579	229	-	-	-	-	-	-	-	2,177
Municipal Power Authority	520	531	541	552	563	2,989	3,300	2,142	-	-	-	11,138
Higher Education	120,233	114,336	109,058	103,085	104,986	368,341	175,674	119,544	34,489	3,728	213	1,253,687
	\$ 122,293	\$ 116,023	\$ 110,608	\$ 104,126	\$ 105,702	\$ 372,017	\$ 179,629	\$ 122,277	\$ 34,507	\$ 3,747	\$ 213	\$ 1,271,142
Less: Interest	35,707	32,824	29,954	26,012	24,743	77,490	38,071	15,903	3,466	330	7	284,507
Total Principal	\$ 86,586	\$ 83,199	\$ 80,654	\$ 78,114	\$ 80,959	\$ 294,527	\$ 141,558	\$ 106,374	\$ 31,041	\$ 3,417	\$ 206	\$ 986,635
Intangible Leases:												
OSU Medical Authority	\$ 436	\$ 230	\$ 219	\$ 219	\$ 219	\$ 473	\$ -	\$ -	\$ -	\$ -	\$ -	1,796
Higher Education	24,045	16,689	9,486	6,075	2,481	2,648	-	-	-	-	-	61,424
	\$ 24,481	\$ 16,919	\$ 9,705	\$ 6,294	\$ 2,700	\$ 3,121	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63,220
Less: Interest	1,455	929	523	304	145	180	-	-	-	-	-	3,536
Total Principal	\$ 23,026	\$ 15,990	\$ 9,182	\$ 5,990	\$ 2,555	\$ 2,941	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 59,684
Total	\$ 400,571	\$ 357,173	\$ 338,005	\$ 348,890	\$ 339,340	\$ 1,572,472	\$ 1,140,763	\$ 976,718	\$ 762,309	\$ 188,588	23,180	\$ 6,448,009
Adjusted for: Net Discounts and Deferred Debits on Refundings												332,138
Long-Term Obligations without scheduled debt service:												
Claims and Judgments												425,264
Due to Primary Government												57,348
Compensated Absences												140,239
Pension Liability												1,768,957
Other Postemployment Benefits												310,872
Other Noncurrent Liabilities												1,065,527
Total Long-Term Obligations												\$ 10,548,354

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, 2023, 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 seven series of revenue bonds outstanding with an original issue amount of \$1,851,100,000. 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%.

Seven of the state's colleges and universities within the higher education component unit have authorized and issued 49 series of revenue bonds with an original issue amount of \$2,391,423,000. 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 on December 31, 2022, totaling \$26,740,000.

Defeased bonds outstanding for colleges and universities within the higher education component unit is \$75,395,000 as of June 30, 2023.

D. Notes Payable

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.

During 2020, a Transportation Infrastructure Finance and Innovation Act (TIFIA) loan was executed between the U.S. Department of Transportation and the Oklahoma Turnpike Authority. The loan for \$120,100,000 is for construction of the Gilcrease Expressway. During 2022, the project reached substantial completion and the TIFIA loan proceeds were disbursed. Tolls fees from the Gilcrease Expressway will be used to repay the loan beginning in 2026 through 2057, with an interest rate of 1.35%.

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 5.8%.

Oklahoma Municipal Power Authority 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. In addition, OMPA has a line of credit balance outstanding of \$800,000. The principal is scheduled to be repaid by December 31, 2024.

Colleges and universities within 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, 2023, total \$2,155,000, and will expire in 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 \$1,149,000, on June 30, 2023.

Oklahoma Development Improvement Authority entered into an agreement for managed print services. The outstanding lease principal is \$11,000, on June 30, 2023. The lease term is for five years with an interest rate of 0.82%.

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 2053. The outstanding principal balance for the leases on June 30, 2023, is \$934,584,000. 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 2058. These leases have a principal value of \$38,943,000, on June 30, 2023.

Leased assets under right to use leases in capital assets for all component units on December 31, 2022, and June 30, 2023, included the following (expressed in thousands):

	Land and Buildings	Equipment	Total
Present value of minimum lease payments	\$ 44,357	\$ 32,437	\$ 76,794
Less: Accumulated amortization	<u>(11,828)</u>	<u>(14,360)</u>	<u>(26,188)</u>
Total	<u>\$ 32,529</u>	<u>\$ 18,077</u>	<u>\$ 50,606</u>

F. Intangible Leases

Oklahoma State University Medical Authority has various subscription-based information technology arrangements. Lease obligations as of June 30, 2023, are \$1,796,000 and have mixed expiration dates through 2030.

Colleges and universities within the higher education component unit have multiple subscription-based information technology arrangements. Agreements vary in terms and interest rates and will expire at various dates through 2033. The outstanding obligation for the leases is \$58,109,000, as of June 30, 2023.

Leased intangible assets reported in capital assets for all component units as of June 30, 2023, included the following (expressed in thousands):

	Subscription-based Information Technology Agreements
Present value of minimum lease payments	\$ 99,557
Less: Accumulated amortization	<u>(31,627)</u>
Total	<u>\$ 67,930</u>

G. 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.

H. 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, 2022, the Grand River Dam Authority was authorized to issue an additional \$587,055,000 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 in the amount of \$657,000. The net effect of the restatement decreased beginning net position by \$657,000 on July 1, 2022.

Component Units

Beginning net position for component units was restated due to corrections of accounting errors (increase of \$1,371,000) and a cumulative change in accounting principle (adoption of GASB Statement numbers 87, 96 and 99, resulting in an increase of \$2,720,000). The net effect of the restatements increased beginning net position by \$4,091,000, as of July 1, 2022.

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				
	General	Commissioners of the Land Office	Department of Wildlife Lifetime Licenses	Tobacco Settlement Endowment	Total Governmental Funds
Nonspendable					
Inventories	\$ 89,918	\$ -	\$ -	\$ -	\$ 89,918
Prepays	481	-	-	-	481
Permanent Fund Principal	-	2,584,276	102,824	1,467,114	4,154,214
Restricted					
Education	26,729	-	-	-	26,729
Government Administration	775,536	-	-	-	775,536
Health Services	688,028	-	-	-	688,028
Legal and Judiciary	296,515	-	-	-	296,515
Museums	1,035	-	-	-	1,035
Natural Resources	27,574	-	-	-	27,574
Safety and Defense	24,865	-	-	-	24,865
Regulatory Services	2,158	-	-	-	2,158
Social Services	478	-	-	-	478
Transportation	4,253	-	-	-	4,253
Constitutional Reserve ("Rainy Day")	955,538	-	-	-	955,538
Committed					
Education	744,730	78,083	-	-	822,813
Government Administration	6,140,170	-	-	66,703	6,206,873
Health Services	694,825	-	-	-	694,825
Legal and Judiciary	(106,832)	-	-	-	(106,832)
Museums	5,404	-	-	-	5,404
Natural Resources	214,901	-	-	-	214,901
Safety and Defense	261,679	-	-	-	261,679
Regulatory Services	221,129	-	-	-	221,129
Social Services	553,844	-	-	-	553,844
Transportation	1,140,451	-	-	-	1,140,451
Assigned	-	-	-	209,790	209,790
Unassigned					
Constitutional Reserve ("Rainy Day")	318,513	-	-	-	318,513
Total Fund Balances	\$ 13,081,922	\$ 2,662,359	\$ 102,824	\$ 1,743,607	\$ 17,590,712

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, 2023, were as follows (expressed in thousands):

	General Fund - Restricted			
	For Debt Service Only	Federal Cash	By Enabling Legislation	Restricted Fund Balance
Restricted				
Education	\$ -	\$ 26,729	\$ -	\$ 26,729
Government Administration	759,778	15,758	-	775,536
Health Services	256	687,772	-	688,028
Legal and Judiciary	-	296,515	-	296,515
Museums	-	1,035	-	1,035
Natural Resources	6,898	20,676	-	27,574
Safety and Defense	163	24,702	-	24,865
Regulatory Services	2,055	103	-	2,158
Social Services	-	478	-	478
Transportation	3	4,250	-	4,253
Constitutional Reserve ("Rainy Day")	-	-	955,538	955,538
Total Restricted Fund Balance	\$ 769,153	\$ 1,078,018	\$ 955,538	\$ 2,802,709

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, 2023, was \$1,274,051,000, with \$955,538,000 presented as restricted fund balance and \$318,513,000 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 ending June 30, 2023, the assigned fund balance was \$209,790,000.

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, 2022, OHFA had eleven series of multifamily bonds outstanding with an aggregate principal amount payable of approximately \$173,725,000. 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, 2023, there were approximately \$16,100,000 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, 2023, 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 https://ofprs.ok.gov	Law Enforcement Retirement 421 NW 13th Street, Suite 100 Oklahoma City, OK 73103 https://olers.ok.gov	Police Pension and Retirement 1001 NW 63rd Street, Suite 305 Oklahoma City, OK 73116 https://www.opprs.ok.gov
Public Employees Retirement 5400 N Grand Boulevard, Suite 400 Oklahoma City, OK 73112 https://www.opers.ok.gov	Uniform Retirement System for Justices and Judges PO Box 53007 Oklahoma City, OK 73152 https://www.opers.ok.gov	Teachers' Retirement System 301 NW 63rd St., Suite 500 Oklahoma City, OK 73116 https://oklahoma.gov/trs
	Department of Wildlife Conservation 1801 N Lincoln Blvd. Oklahoma City, OK 73105 https://www.wildlifedepartment.com	

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, 2022

- | | |
|-------------------------------------|---|
| 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, 2022

- 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, 2022

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

average highest 60 months of compensation earned within the last 10 years of service (including highest 5 longevity payments)

e. Benefit Determination Methods:

Normal Retirement

2% of member's final average salary multiplied by the years of credited service

Disability Retirement

Same as normal retirement

f. Benefit Authorization

Benefits are established in accordance with Title 74 of the Oklahoma Statutes, Chapter 29, Section 901 through 935 as amended

g. Form of Benefit Payments

Life Annuity, Joint and 50% Survivor Annuity, Joint and 100% Survivor Annuity, Life Annuity with a minimum of 120 monthly payments, and Medicare Gap Benefit option

Provisions

USRJJ as of July 1, 2022

a. Eligible to Participate

Any justice or judge of the Supreme Court, Court of Criminal Appeals, Workers' Compensation Court of Existing Claims, Court of Appeals or District Court who serves as justice or judge of any of said courts in the State of Oklahoma

b. Period Required to Vest

Eight years of credited service

c. Eligibility for Distribution

Normal retirement:

- Member before January 1, 2012, who completes 8 years of service, one of the following:

Age 60 with 10 years of credited service

Age 65 with 8 years of credited service

80 points - The sum of age and years of service equals 80

- Member after January 1, 2012, one of the following:

Age 62 with 10 years of credited service

Age 67 with 8 years of credited service

Disability benefit at age 55 and 15 years of continuous judicial service

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

d. Benefit Determination Base

Final average salary – average monthly salary based on the highest 36 months of active service

- 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, 2022

- 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, 2022

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 7 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, 2022

- | | | |
|----|--------------------------------|--|
| 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: <ul style="list-style-type: none"> • 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	12,060	1,208	29,912	264	5,946	99,844	167
Deferred Vested Former Employees	2,477	56	6,454	16	172	26,992	27
Retirees or Retiree Beneficiaries	11,686	1,589	36,649	312	4,241	68,330	235
Total	26,223	2,853	73,015	592	10,359	195,166	429

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, Sections 49-100.1 through 49-143.7, as amended. 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, 2022. 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, 2022, OFPRS recognized \$177,558,000 in contributions to the plan based on covered payroll of \$327,747,000.

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, 2022. 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, 2022, OLERS recognized \$41,568,000 in contributions to the plan based on covered payroll of \$86,748,000.

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, 2022. Contributions for participating county and local agencies total 20% for employees and employers as of July 1, 2022. For the year ended June 30, 2022, OPERS recognized \$349,552,000 in contributions to the plan based on covered payroll of \$1,556,561,000.

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, 2022. For the year ended June 30, 2022, URSJJ recognized \$10,509,000 in contributions to the plan based on covered payroll of \$36,299,000.

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, 2022. 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, 2022, OPPRS recognized \$115,068,000 in contributions to the plan based on covered payroll of \$354,800,000.

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, 2022. The rate for comprehensive and four-year universities is 8.55% as of July 1, 2022. The state contributes 5.25% 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% of the first \$65 million of net lottery proceeds. For the year ended June 30, 2022, TRS recognized \$1,333,476,000 in contributions to the plan based on covered payroll of \$5,015,139,000.

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, 2022, WCRP recognized \$3,054,000 in contributions to the plan based on covered payroll of \$11,083,000.

F. Actuarial Assumptions

Oklahoma Firefighters Pension and Retirement System

Date of Last Actuarial Valuation	July 1, 2022
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 table 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, 2022
a. Actuarial cost method	Entry age normal
b. Rate of return on investments and discount rate	7.5%
c. Projected salary increases	3.5% - 10%
d. Post retirement cost-of-living increase	3%
e. Inflation rate	2.75%
f. Mortality table	Active employees (pre- and post- retirement): Pub-2010 Public Safety Employees Amount-Weighted Mortality Table with rates set forward two years using MP-2021; Disabled pensioners: Pub-2010 Public Safety Disabled Retirees Amount-Weighted Mortality Table with rates set forward to years using Scale MP-2021
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 12%
j. Date of last experience study	July 2017 to June 2021

Oklahoma Public Employees Retirement System

Date of Last Actuarial Valuation	July 1, 2022
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: Pub-2010 Below Median, General Membership Active/Retiree Healthy 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, 2022
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 and non-disabled retirees: Pub-2010 Below Median, General Membership Active/Retiree Healthy 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, 2022
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: RP-2000 Combined Blue Collar Healthy Employees (generational using Scale AA) with age set back four years; Non-disabled retirees: RP-2000 Combined Blue Collar Healthy Employees (generational using Scale AA); Disabled pensioners: RP-2000 Combined Blue Collar Healthy Employees with age set forward four years (no generational improvement).
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, 2022
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: Pub-2010 Teachers Active Employee Mortality Table, generational mortality improvements in accordance with the Ultimate MP scales projected from 2010; Non-disabled retirees: 2020 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 2014 through June 30, 2019

Wildlife Conservation Retirement Plan

Date of Last Actuarial Valuation	July 1, 2022
a. Actuarial cost method	Entry age normal
b. Rate of return on investments and discount rate	7%
c. Projected salary increases	3% to 7%
d. Post retirement cost-of-living increase	None
e. Inflation rate	3%
f. Mortality table	Active members: Pub-2010 General Employees Above-Median Amount-Weighted Mortality with generational projection using MP-2021 Scale; Retired members: Pub-2010 General Retirees Above-Median Amount-Weighted Mortality with generational projection using MP-2021 Scale; Disabled members: Pub-2010 General Disabled Retirees: Amount-Weighted Mortality with generational projection using MP-2021 Scale.
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, 2016, through June 30, 2021

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:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	20%	3.62%
Equity	62%	7.00%
Alternative Investments	18%	6.36%
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	20%	2.01%
Equity	55%	6.47%
Alternative Investments	25%	7.78%
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	68%	5.69%
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	68%	5.69%
Total	100%	

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%	3.34%
Equity	65%	6.52%
Alternative Investments	15%	8.65%
Total	100%	

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%	1.30%
Equity	55%	5.08%
Alternative Investments	23%	5.16%

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 7.0% 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	40%	3.07%
Equity	50%	8.40%
Alternative Investments	10%	5.48%
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, 2022, which is also the measurement date. There are no changes in assumptions or changes between the measurement date of July 1, 2022, and the state's report ending date of June 30, 2023, 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)

	Total Pension (a)	Plan Net Net Position (b)	Net Pension Liability (a) - (b)
Balance Beginning of Year	\$ 1,258,688	\$ 1,245,241	\$ 13,447
Changes for the Year:			
Service cost	21,066	-	21,066
Interest	91,371	-	91,371
Changes in benefit terms	311	-	311
Difference between expected and actual experience	(7,575)	-	(7,575)
Changes in assumptions	(10,205)		(10,205)
Contributions-Employer	-	9,568	(9,568)
Contributions-State of Oklahoma, non-employer contributing entity	-	25,286	(25,286)
Contributions-Employee	-	6,714	(6,714)
Net Investment Income	-	(128,388)	128,388
Benefit payments, including refunds	(82,301)	(82,301)	-
Administrative expense	-	(1,505)	1,505
Net Changes	<u>\$ 12,667</u>	<u>\$ (170,626)</u>	<u>\$ 183,293</u>
Balances at June 30, 2022	<u><u>\$ 1,271,355</u></u>	<u><u>\$ 1,074,615</u></u>	<u><u>\$ 196,740</u></u>

Uniform Retirement System for Justices and Judges

Schedule of Changes in Net Pension Liability
Increases (Decreases)

	Pension Liability (a)	Plan Net Position (b)	Liability (Asset) (a) - (b)
Balance Beginning of Year	\$ 339,029	\$ 429,151	\$ (90,122)
Changes for the Year:			
Service cost	9,879	-	9,879
Interest	21,284	-	21,284
Difference between expected and actual experience	2,129	-	2,129
Contributions-Employer	-	7,642	(7,642)
Contributions-Employee	-	2,867	(2,867)
Net Investment Income	-	(62,133)	62,133
Benefit payments, including refunds	(23,548)	(23,548)	-
Administrative expense	-	(191)	191
Net Changes	<u>\$ 9,744</u>	<u>\$ (75,363)</u>	<u>\$ 85,107</u>
Balances at June 30, 2022	<u><u>\$ 348,773</u></u>	<u><u>\$ 353,788</u></u>	<u><u>\$ (5,015)</u></u>

Wildlife Conservation Retirement Plan

Schedule of Changes in Net Pension Liability
Increases (Decreases)

	Total Pension Liability (a)	Plan Net Position (b)	Net Pension Liability (a) - (b)
Balance Beginning of Year	\$ 137,816	\$ 141,740	\$ (3,924)
Changes for the Year:			
Service cost	1,374	-	1,374
Interest	9,444	-	9,444
Difference between expected and actual experience	(2,060)	-	(2,060)
Changes in Assumptions	2,632	-	2,632
Contributions-Employer	-	2,500	(2,500)
Contributions-Employee	-	554	(554)
Net Investment Income	-	(16,752)	16,752
Benefit payments, including refunds	(8,560)	(8,560)	-
Administrative expense	-	(40)	40
Net Changes	<u>\$ 2,830</u>	<u>\$ (22,298)</u>	<u>\$ 25,128</u>
Balances at June 30, 2022	<u><u>\$ 140,646</u></u>	<u><u>\$ 119,442</u></u>	<u><u>\$ 21,204</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):

	1% Decrease (6.5%)	Discount Rate (7.5%)	1% Increase (8.5%)
Net Pension Liability (Asset)	\$ 340,444	\$ 196,740	\$ 78,178

	1% Decrease (5.5%)	Discount Rate (6.5%)	1% Increase (7.5%)
Net Pension Liability (Asset)	\$ 1,587,548	\$ 647,713	\$ (147,115)

	1% Decrease (5.5%)	Discount Rate (6.5%)	1% Increase (7.5%)
Net Pension Liability (Asset)	\$ 27,304	\$ (5,015)	\$ (33,061)

	1% Decrease (6.5%)	Discount Rate (7.5%)	1% Increase (8.5%)
Net Pension Liability (Asset)	\$ 969	\$ (335)	\$ (1,437)

	1% Decrease (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
Net Pension Liability (Asset)	\$ 2,531,943	\$ 1,798,248	\$ 1,195,064

	1% Decrease (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
Net Pension Liability (Asset)	\$ 36,417	\$ 21,204	\$ 8,222

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, 2024.

Oklahoma Law Enforcement Retirement System

On June 30, 2023, OLERS reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 8,092	\$ 6,716
Net difference between projected and actual plan investment earnings	85,952	-
Changes in assumptions	-	8,185
Contributions made since measurement date	11,950	-
Total	\$ 105,994	\$ 14,901

Oklahoma Public Employees Retirement System

On June 30, 2023, OPERS reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ -	\$ 29,697
Net difference between projected and actual plan investment earnings	679,857	-
Changes in assumptions	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	523	-
Contributions made since measurement date	228,274	-
Total	\$ 908,654	\$ 29,697

Uniform Retirement State Justices and Judges

On June 30, 2023, URSJJ reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 2,610	\$ 246
Net difference between projected and actual plan investment earnings	32,146	-
Changes in assumptions	3,892	-
Contributions made since measurement date	8,251	-
Total	\$ 46,899	\$ 246

Oklahoma Police Pension and Retirement System

On June 30, 2023, OPPRS reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 164	\$ 36
Net difference between projected and actual plan investment earnings	326	-
Changes in assumptions	12	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	202	-
Contributions made since measurement date	205	-
Total	<u>\$ 909</u>	<u>\$ 36</u>

Teachers' Retirement System

On June 30, 2023, TRS reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 57,608	\$ 22,494
Net difference between projected and actual plan investment earnings	171,194	-
Changes in assumptions	121,331	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	175,224
Contributions made since measurement date	112,366	-
Total	<u>\$ 462,499</u>	<u>\$ 197,718</u>

Wildlife Conservation Retirement Plan

On June 30, 2023, WCRP reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 1,932	\$ 1,858
Net difference between projected and actual plan investment earnings	10,916	-
Changes in assumptions	2,369	-
Contributions made since measurement date	2,250	-
Total	<u>\$ 17,467</u>	<u>\$ 1,858</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, 2023						
	Law Enforcement Retirement System	Public Employees Retirement System	Retirement System Justices and Judges	Police Pension and Retirement System	Teachers' Retirement System	Wildlife Conservation
2024	\$ 23,077	\$ 95,217	\$ 9,142	\$ 510	\$(241,454)	\$ 3,245
2025	15,493	99,177	7,142	(28)	132,848	2,789
2026	225	69,459	4,072	(145)	31,153	1,686
2027	40,524	386,830	18,046	354	204,429	5,353
2028	(176)	-	-	(23)	22,614	57
2029	-	-	-	-	2,825	229
Total	\$ 79,143	\$ 650,683	\$ 38,402	\$ 668	\$ 152,415	\$ 13,359

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, 2023. This includes both contributions payable and dedicated taxes that had yet to be paid.

	Payable at 6/30/2023
Firefighters Pension and Retirement Plan	\$ 24,070
Law Enforcement Retirement System	5,141
Public Employees Retirement System	12,063
Retirement System Judges and Justices	704
Police Pension and Retirement System	44,584
Teachers' Retirement System	64,755
Total	\$ 151,317

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, 2022, 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	90.856%	\$ 976,355	\$ 1,155,106	\$ 178,751	\$ 13,538	\$ 96,302	\$ 32,865
Oklahoma Public Employees Retirement System	72.438%	7,234,741	7,843,630	608,889	28,587	853,697	137,599
Uniform Retirement for Justices and Judges	100.000%	353,788	348,773	(5,015)	246	46,899	10,816
Oklahoma Police Pension and Retirement System	0.417%	12,554	12,219	(335)	36	909	80
Oklahoma Teachers' Retirement System	1.278%	245,308	350,187	104,879	1,312	32,118	10,342
Wildlife Conservation Retirement Plan	100.000%	119,442	140,646	21,204	1,858	17,467	3,542
Total		\$ 8,942,188	\$ 9,850,561	\$ 908,373	\$ 45,577	\$ 1,047,392	\$ 195,244

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:

Teachers' Retirement System of Oklahoma:

House Bill 4388 – The legislative bill requires the portion of lottery annual net proceeds deposited to the Oklahoma Education Lottery Trust Fund that exceeds \$65 million to be deposited into a Teacher Empowerment Fund. TRS will now only receive a portion of funds on the first \$65 million placed in that account annually. The provision was enacted May 26, 2022.

House Bill 2034 – The legislative bill requires the treasurer to prepare and maintain, and provide to each state governmental entity, a list of all financial companies that boycott energy companies. It requires divestment of financial companies specified therein. The bill exempts a state pension system from the divestment requirements of the act if it determines that such requirements would be inconsistent with its fiduciary responsibility with respect to the investment of entity assets or other duties imposed by law relating to the investment of entity assets. This bill also prohibits the State and its political subdivisions from entering a contract with a company unless the company submits a written certification that the company is not currently engaged in a boycott of the oil and gas industry subject to certain rules. The provision was enacted May 9, 2022.

Senate Bill 1119 – Adjunct teachers, as described in Title 70, Oklahoma Statute, Sections 6-122.3 and 17-103, will be considered non-classified, optional personnel starting July 1, 2022. As non-classified optional personnel, these individuals would be considered eligible to participate in TRS as optional members if they are regularly employed for 20 hours or more per week. As optional personnel, they will be subject to requirements regarding electing to participate in TRS. The provision was enacted April 29, 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, 2023, there were 185 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:

<u>Years of Credited Service</u>	<u>Compensation Contributed by Employer</u>
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, 2023, the ODWC contributed \$649,000 and eligible employees contributed \$466,000 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, 2023, there were 18,822 plan members. For the year ended June 30, 2023, OPERS contributed \$37,226,000 and eligible employees contributed \$25,934,000 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 Oklahoma statute. The plan's effective date was November 1, 2015.

On June 30, 2023, there were 8,232 plan members. For the year ended June 30, 2023, eligible employees contributed \$10,804,000 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/divisions/employees-group-insurance-division.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 audited 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, 2022, 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	156	1,208	264	29,912	99,844
Inactive participants	2,497	267	640	184	19,922	66,478
Total	33,720	423	1,848	448	49,834	166,322

3. Net OPEB Liability

The State of Oklahoma measured a net OPEB asset of \$82,797,000 and a net OPEB liability of \$143,840,000 as of June 30, 2022, as determined by actuarial valuations of that date.

The total OPEB liability in the June 30, 2022, 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%-10.00%	3.50%	3.25%-9.25%	3.00%
Discount Rate	3.54%	4.13%	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, 2023. 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-Weighted Mortality with generational projection using MP-2021 Scale. Retired members use Pub-2010 General Retirees Above-Median Amount-Weighted Mortality with generational projection using MP-2021 Scale. Disabled members rate is based on Pub-2010 General Disabled Retirees Amount-Weighted Mortality with generational projection using MP-2021 Scale.

Mortality rates for OLERS active members use Pub-2010 Public Safety Employees Amount-Weighted Mortality Table with rates set forward two years, projected generationally using Scale MP-2021. Retired members use Pub-2010 Public Safety

Retirees Amount-Weighted Mortality Table with rates set forward two years, projected generationally using Scale MP-2021. Disabled members rate is based on Pub-2010 Public Safety Disabled Retirees Amount-Weighted Mortality Table with rates set forward two years, projected generationally using Scale MP-2021. Survivors use Pub-2010 Public Safety Contingent Survivors Amount-Weighted Mortality Table with rates set forward two years, projected generationally using Scale MP-2021.

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 Media, General Membership Active/Retiree Healthy Mortality Table with base rates projected to 2030 using Scale MP-2019. Male rates are unadjusted, 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, 2022, was based on a measured date of July 1, 2022, with a measurement period of July 1, 2021, to July 1, 2022.

ODWC actuarial assumptions in the actuarial report dated June 30, 2022, are prepared on a measured date of June 30, 2022, based on the results of an actuarial experience study for the period July 1, 2016, to June 30, 2021.

The actuarial assumptions used in the June 30, 2022, valuation report by OLERS are measured as of June 30, 2022, and are based on the results of the most recent actuarial experience study, which covered the five-year period ending June 30, 2021. The experience study report is dated June 3, 2022.

URSJJ total OPEB liability was measured as of June 30, 2022, in the valuation report dated July 1, 2022, 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, 2022, valuation report rolled back to June 30, 2022, 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, 2022, valuation report by TRS were measured June 30, 2022, 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, 2021	\$ 140,739	\$ 7,982	\$ 13,008	\$ 2,907	\$ 250,290	\$ 114,331	\$ 529,257
Change for the year:							
Service cost	6,152	123	321	112	5,856	1,352	13,916
Interest	3,062	317	943	182	15,636	6,521	26,661
Differences between expected and actual experience	-	30	(990)	-	(15,000)	(455)	(16,415)
Changes in assumptions or other inputs	(12,521)	(33)	(1,285)	-	1,403	(1)	(12,437)
Benefit Payments	(10,359)	(459)	(872)	(209)	(13,296)	(7,820)	(33,015)
Change in Total Liability	\$ (13,666)	\$ (22)	\$ (1,883)	\$ 85	\$ (5,401)	\$ (403)	\$ (21,290)
Total Liability at June 30, 2022	\$ 127,073	\$ 7,960	\$ 11,125	\$ 2,992	\$ 244,889	\$ 113,928	\$ 507,967
Plan Net Position at June 30, 2021	\$ -	\$ -	\$ 2,108	\$ 4,300	\$ 357,633	\$ 143,156	\$ 507,197
Change for the year:							
Contributions - Employer	10,359	-	1,302	217	12,779	-	24,657
Net investment income	-	-	(217)	(532)	(39,979)	(11,508)	(52,236)
Benefit payments	(10,359)	-	(872)	(209)	(13,296)	(7,820)	(32,556)
Administrative expense	-	-	(3)	(2)	(132)	(1)	(138)
Change in Net Position	\$ -	\$ -	\$ 210	\$ (526)	\$ (40,628)	\$ (19,329)	\$ (60,273)
Total Net Position at June 30, 2022	\$ -	\$ -	\$ 2,318	\$ 3,774	\$ 317,005	\$ 123,827	\$ 446,924
Total OPEB Liability (Asset)	\$ 127,073	\$ 7,960	\$ 8,807	\$ (782)	\$ (72,116)	\$ (9,899)	\$ 61,043

(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 2.16% to 3.54%.

Oklahoma Department of Wildlife Conservation: The discount rate used to measure the total OPEB liability was increased from 4.09% to 4.13%. An additional mortality rate category was included for survivors and beneficiaries. The rate is based on the Pub-2010 General Contingent Survivors Above-Median Amount-Weighted Mortality with projected generationally using scale MP-2021.

Oklahoma Law Enforcement Retirement System: The wages used in the projection of benefits and liabilities are paid for the year ending June 30, 2022, including longevity bonuses. These amounts were projected into the valuation year using the valuation salary scale. The previous year valuation used wages paid for the year ending June 30, 2017, including longevity bonuses.

Oklahoma Public Employees Retirement System: The municipal bond index rate at measurement date is changed from 2.13% to 3.37%.

Uniform Retirement System for Justices and Judges: The municipal bond index rate to calculate liabilities was changed from 2.13% to 3.37%.

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>(2.54%)</u>	Discount Rate <u>(3.54%)</u>	1% Increase <u>(4.54%)</u>
Net OPEB Liability (Asset)	\$ 135,865	\$ 127,073	\$118,834

Department of Wildlife Conservation

	1% Decrease <u>(3.13%)</u>	Discount Rate <u>(4.13%)</u>	1% Increase <u>(5.13%)</u>
Net OPEB Liability (Asset)	\$ 8,852	\$ 7,960	\$ 7,202

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 (Asset)	\$ 9,979	\$ 8,807	\$ 7,815

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 (Asset)	\$ (530)	\$ (782)	\$ (1,003)

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 (Asset)	\$ (46,550)	\$ (72,116)	\$ (94,021)

Teachers’ Retirement System

	1% Decrease <u>(6.00%)</u>	Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
Net OPEB Liability (Asset)	\$ 412	\$ (9,899)	\$ (18,631)

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

The following presents the net OPEB liability on June 30, 2023, 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	\$ 114,675	\$ 127,073	\$ 141,601

Oklahoma Department of Wildlife Conservation

	1% Decrease (4.00%)	Discount Rate (5.00%)	1% Increase (6.00%)
Total OPEB Liability	\$ 7,944	\$ 7,960	\$ 7,973

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, 2023, 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
Deferred Outflows:							
Changes of assumptions or other inputs	\$ 6,486	\$ 318	\$ -	\$ -	\$ 6,089	\$ 2,985	\$ 15,878
Differences between projected and actual investment earnings						4,139	4,139
Changes in proportion	-	-	266	-	496	312	1,074
Differences between expected and actual experience	-	62	347	-	27,295	-	27,704
Subsequent contributions	11,069	459	1,312	215	12,909	618	26,582
Total deferred outflows	<u>\$ 17,555</u>	<u>\$ 839</u>	<u>\$ 1,925</u>	<u>\$ 215</u>	<u>\$ 46,789</u>	<u>\$ 8,054</u>	<u>\$ 75,377</u>
Deferred Inflows:							
Changes of assumptions or other inputs	\$ (12,225)	\$ (635)	\$ (1,182)	\$ -	\$ -	\$ -	\$ (14,042)
Changes in proportion	-	-	(266)	-	-	-	(266)
Differences between expected and actual experience	(686)	(146)	(1,718)	-	(36,030)	(3,295)	(41,875)
Differences between projected and actual investment earnings	-	-	(150)	-	-	-	(150)
Total deferred inflows	<u>\$ (12,911)</u>	<u>\$ (781)</u>	<u>\$ (3,316)</u>	<u>\$ -</u>	<u>\$ (36,030)</u>	<u>\$ (3,295)</u>	<u>\$ (56,333)</u>
OPEB Expense (Expense offset)	<u>\$ 5,892</u>	<u>\$ 459</u>	<u>\$ 549</u>	<u>\$ 209</u>	<u>\$ (5,838)</u>	<u>\$ (957)</u>	<u>\$ 314</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	Uniform Retirement System for Justices and Judges	Public Employees Retirement System	Teachers' Retirement System	Total
2024	\$ (2,098)	\$ (24)	\$ (547)	\$ -	\$ (3,561)	\$ 513	\$ (5,717)
2025	(264)	(129)	(521)	-	(2,622)	413	(3,123)
2026	(264)	(248)	(461)	-	(1,757)	(629)	(3,359)
2027	(658)	-	(351)	-	7,923	3,957	10,871
2028	(1,900)	-	(349)	-	(2,133)	(104)	(4,486)
Thereafter	(1,241)	-	(474)	-	-	(9)	(1,724)

Note 16. On-Behalf Payments

The Oklahoma Teachers' Retirement System (TRS) receives 5.25% 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. House Bill 2894, passed during the 2021 legislative session, increased this percentage to 5.25% for fiscal years 2023 through 2027. Beginning with fiscal year 2028, this percentage is scheduled to return to 5.00%. Teachers' Retirement System receives 1.0% of the cigarette taxes and 5.0% of the first \$65,000,000 of net lottery proceeds collected by the state. Approximately \$513,732,000 was received by TRS from the state for the year ended June 30, 2023.

The Oklahoma Firefighters Pension and Retirement System receives 37.8% of the state's insurance premium tax revenue. The Oklahoma Firefighters Pension and Retirement System received approximately \$114,291,000 from the state for the year ended June 30, 2023. Of the same insurance premium tax revenue, the Oklahoma Police Pension and Retirement System and Oklahoma Law Enforcement Retirement System receive 14.7% and 5.0%, respectively. Oklahoma Police Pension and Retirement System and Oklahoma Law Enforcement Retirement System received approximately \$44,456,000 and \$15,873,000 from the state for the year ended June 30, 2023, respectively.

Note 17. Commitments

Primary Government

For the year ended June 30, 2023, the general fund had encumbrances of \$1,645,226,000 within the restricted and committed fund balances of the governmental funds.

The Department of Transportation had contractual commitments as of June 30, 2023, of approximately \$1,393,017,000 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 2023, loans totaling approximately \$44,649,000 had been closed to provide funding toward these projects.

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 \$361,000 for the general fund.

During the 2023 legislative sessions, the legislature approved the Legacy Capital Financing Act. This legislation is intended to facilitate advanced financing for current and future capital needs, reduce or eliminate financing interest costs associated with private financing and accelerate timelines for project completion. A Legacy Capital Financing Fund was created for the Oklahoma Capital Improvement Authority. The Oklahoma Capital Improvement Authority is authorized to enter memoranda of understandings with agencies, departments and subdivisions of the state, as provided by law. The memoranda of understandings do not constitute a legal obligation of the state. Unless legislatively specified, all distributions from the fund will be returned over a 20-year period.

The legislature authorized the following projects from the Legacy Capital Financing Fund: Construct or expand the training facility for Council on Law Enforcement Education and Training in the amount of \$3,984,000; construct, refurbish or expand animal teaching hospitals and related facilities for the Oklahoma State University Veterinary Medicine Authority in the amount of \$79,000,000; construction, repair, rehabilitation and improvements to existing Oklahoma Historical Society facilities in the amount of \$46,000,000; create an Oklahoma Wireless Information Network in the amount of \$20,000,000; construction of a centralized training center and related facilities for Department of Public Safety in the amount \$59,564,000; upgrade, repair, expand and replace Oklahoma Highway Patrol facilities in the amount of \$8,000,000; repair and refurbish the Jim Thorpe Office Building in the amount of \$70,000,000; repair and refurbish tunnels underlying the state capitol office complex in the amount of \$19,000,000; renovate the Kelley building in the amount of \$26,322,000; and construct, refurbish or expand Department of Libraries facilities in the amount of \$17,605,000.

Component Units

The higher education component unit had outstanding commitments under construction contracts totaling \$113,798,000 on June 30, 2023.

The Oklahoma Turnpike Authority had commitments outstanding on December 31, 2022, relating to equipment orders and supplies of approximately \$29,100,000. On December 31, 2022, Oklahoma Turnpike Authority had commitments outstanding relating to construction and maintenance contracts of approximately \$211,600,000.

The Oklahoma Municipal Power Authority purchased approximately \$20,768,000 of power pursuant to several long-term purchase agreements during 2022. Oklahoma Municipal Power Authority is obligated to purchase, at a minimum, approximately \$20,193,000 of power in 2023.

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, 2022, for long-term wind power purchase agreements of approximately \$467,900,000 through the year 2037 and for customer generation capacity agreements of approximately \$186,400,000 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 \$94,600,000 through the year 2030, for natural gas of approximately \$15,700,000 during 2023 and for transportation of natural gas of approximately \$146,300,000 into the year 2047. On December 31, 2022, GRDA had construction contractual commitments of approximately \$30,744,000 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, 2023.

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 \$1 to \$29,095,000.

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, 2023, Department of Transportation has project expenditures totaling \$8,414,600 that will be reimbursed pending approval of the federal government.

Note 19. Subsequent Events

The Oklahoma Insurance Department holds a settlement escrow in a fiduciary capacity in a litigation matter with a pharmaceutical organization. The Oklahoma Office of the Attorney General is managing the case. The escrow account balance as of June 30, 2023 was \$4,721,000. A court ruling on a portion of the funds in September of 2023 resulted in a return of \$1,943,000 to the pharmaceutical organization. The remaining escrow funds will be paid according to court orders on the ongoing matter.

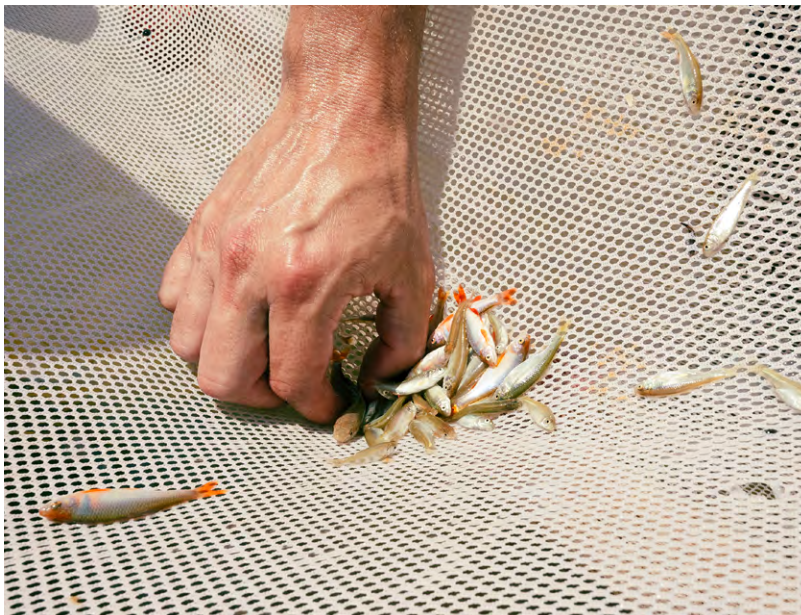
Proprietary Funds

Oklahoma Water Resources Board has authorized but not issued bonds totaling \$176,805,000.

Component Units

After the issuance of the September 30, 2022, financial report, the Oklahoma Housing Finance Agency issued eight multi-family mortgage revenue bonds as a conduit debt issuer for a total of \$143,391,000. The Oklahoma Housing Finance Agency also issued three single-family bonds for a total of \$195,000,000.

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Above: One of the first steps in conserving Oklahoma's fish and wildlife is documenting where the animals can be found, and how many can be found there. And so, biologists survey presence or abundance of species in an area, evaluate their habitat needs, and over the long term evaluate population trends.

Left: Biologists from the U.S. Fish and Wildlife Service and the Wildlife Department's Wildlife Diversity Program seine portions of the Canadian River for the federally threatened Arkansas River shiner. Biologists conduct these presence/absence surveys along a 300-mile stretch of the river twice a year.





State of Oklahoma
 Budgetary Comparison Schedule
 Budget to Actual (Non-GAAP Budgetary Basis)
 General Fund

For the Fiscal Year Ended June 30, 2023
 (expressed in thousands)

		GENERAL FUND				
		BUDGET				
		ORIGINAL	Amendments	FINAL	ACTUAL	VARIANCE
EDUCATION						
State Arts Council						
01	Duties	\$ 3,243	\$ -	\$ 3,243	\$ 1,951	\$ 1,292
11	FY22 Carryover	-	322	322	282	39
	Agency Total	\$ 3,243	\$ 322	\$ 3,565	\$ 2,233	\$ 1,331
Department Of Education						
01	Financial support of Public Schools	\$ 1,457,069	\$ -	\$ 1,457,069	\$ 1,457,069	\$ -
01	Financial support of Public Schools (Min Lea '23)	4,750	-	4,750	4,354	396
02	Public School Activities	117,919	-	117,919	117,919	-
02	Financial support of Public Schools (Min Lea '21)	241	-	241	241	-
03	Textbooks	45,190	-	45,190	45,190	-
04	Certified Employee Health Benefit Allowance	359,193	-	359,193	359,193	-
05	Support Personnel Health Benefit Allowance	194,211	-	194,211	170,476	23,735
06	Ad Valorem Reimbursement Fund	-	95,283	95,283	87,700	7,583
06	Administrative and Support Functions	19,145	-	19,145	16,032	3,113
15	FY22 Carryover	-	1,452	1,452	1,244	208
	Agency Total	\$ 2,197,718	\$ 96,735	\$ 2,294,453	\$ 2,259,418	\$ 35,035
Office of Educational Quality and Accountability						
01	Duties	\$ 1,067	\$ -	\$ 1,067	\$ 580	\$ 487
01	Duties	500	-	500	-	500
11	FY22 Carryover	-	801	801	417	384
	Agency Total	\$ 1,567	\$ 801	\$ 2,368	\$ 997	\$ 1,371
Commission of the Land Office						
01	Duties	\$ 6,703	\$ -	\$ 6,703	\$ 6,127	\$ 576
11	FY22 Carryover	-	811	811	469	341
	Agency Total	\$ 6,703	\$ 811	\$ 7,514	\$ 6,596	\$ 917
Department of Libraries						
01	Duties	\$ 4,536	\$ -	\$ 4,536	\$ 4,066	\$ 471
11	FY22 Carryover	-	168	168	-	168
21	FY21 Carryover	-	131	131	131	-
	Agency Total	\$ 4,536	\$ 299	\$ 4,835	\$ 4,197	\$ 639

GENERAL FUND

		BUDGET				
		ORIGINAL	Amendments	FINAL	ACTUAL	VARIANCE

Health Care Workforce Training Commission

01	Duties	\$ 6,836	\$ -	\$ 6,836	\$ 6,295	\$ 541
01	Duties	400	-	400	-	400
11	FY21 Carryover	-	698	698	-	698
14	FY22 Carryover	-	110	110	-	110
	Agency Total	\$ 7,236	\$ 808	\$ 8,044	\$ 6,295	\$ 1,749

Center for Advancement of Science and Technology

01	Duties	\$ 16,847	\$ -	\$ 16,847	\$ 15,762	\$ 1,085
11	FY22 Carryover	-	154	154	154	-
	Agency Total	\$ 16,847	\$ 154	\$ 17,001	\$ 15,916	\$ 1,085

Oklahoma School of Science and Math

01	Duties	\$ 6,516	\$ -	\$ 6,516	\$ 3,731	\$ 2,786
11	FY21 Carryover	-	2,124	2,124	2,124	-
	Agency Total	\$ 6,516	\$ 2,124	\$ 8,640	\$ 5,855	\$ 2,786

Department of Career and Technology Education

01	Duties	\$ 137,603	\$ -	\$ 137,603	\$ 126,836	\$ 10,767
11	FY22 Carryover	-	7,091	7,091	7,091	-
	Agency Total	\$ 137,603	\$ 7,091	\$ 144,694	\$ 133,927	\$ 10,767

Education Total

	\$ 2,381,969	\$ 109,145	\$ 2,491,114	\$ 2,435,434	\$ 55,680
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GENERAL GOVERNMENT

Office of Management and Enterprise Services

01	Duties	\$ 115,576	\$ -	\$ 115,576	\$ 103,694	\$ 11,882
01	For transfer to Bldg & Fac Revolv (Fund 245; FY'23)	1,706	-	1,706	1,706	-
01	Implementation of Service Oklahoma	-	7,500	7,500	7,425	75
02	For transfer to Bldg & Fac Revolv (Fund 245; FY'21)	552	-	552	552	-
02	NACEA Duties	5,513	-	5,513	5,513	-
02	Duties	-	3,200	3,200	3,171	29
03	Duties	23,654	-	23,654	23,654	-
13	FY22 Carryover	-	7,539	7,539	7,064	475
21	FY21 Carryover	-	484	484	484	-
23	FY21 Carryover	-	1,460	1,460	1,460	-
	Agency Total	\$ 147,001	\$ 20,183	\$ 167,184	\$ 154,723	\$ 12,461

Department of Commerce

01	Duties	\$ 24,729	\$ -	\$ 24,729	\$ 18,326	\$ 6,403
02	Duties	5,000	-	5,000	5,000	-
11	FY22 Carryover	-	5,493	5,493	2,756	2,737
12	Carryover	-	15,000	15,000	15,000	-
	Agency Total	\$ 29,729	\$ 20,493	\$ 50,222	\$ 41,082	\$ 9,140

State Election Board

01	Duties	\$ 7,367	\$ -	\$ 7,367	\$ 7,103	\$ 264
01	Duties	2,500	-	2,500	2,495	5
01	Duties	-	470	470	466	4
11	FY22 Carryover	-	908	908	907	1
	Agency Total	\$ 9,867	\$ 1,378	\$ 11,245	\$ 10,971	\$ 274

Ethics Commission

01	Duties	\$ 688	\$ -	\$ 688	\$ 666	\$ 22
	Agency Total	\$ 688	\$ -	\$ 688	\$ 666	\$ 22

GENERAL FUND

		BUDGET				
		ORIGINAL	Amendments	FINAL	ACTUAL	VARIANCE
Merit Protection Commission						
01	Duties	\$ 223	\$ -	\$ 223	\$ 244	\$ (21)
11	FY22 Carryover	-	102	102	102	-
	Agency Total	\$ 223	\$ 102	\$ 325	\$ 346	\$ (21)
State Auditor and Inspector						
01	Duties	\$ 4,480	\$ -	\$ 4,480	\$ 2,460	\$ 2,020
12	FY22 Carryover	-	2,199	2,199	2,199	-
23	FY21 Carryover	-	186	186	186	-
	Agency Total	\$ 4,480	\$ 2,385	\$ 6,865	\$ 4,845	\$ 2,020
Governor						
01	Duties	\$ 3,558	\$ -	\$ 3,558	\$ 1,907	\$ 1,651
11	FY22 Carryover	-	1,592	1,592	1,317	275
	Agency Total	\$ 3,558	\$ 1,592	\$ 5,150	\$ 3,224	\$ 1,926
Multiple Injury Trust Fund						
01	Pay Obligations	\$ -	\$ 13,000	\$ 13,000	\$ 13,000	\$ -
		\$ -	\$ 13,000	\$ 13,000	\$ 13,000	\$ -
Senate						
02	Operations	\$ 12,780	\$ -	\$ 12,780	\$ 11,355	\$ 1,425
11	FY22 Carryover	-	956	956	956	-
	Agency Total	\$ 12,780	\$ 956	\$ 13,736	\$ 12,311	\$ 1,425
House of Representatives						
02	Operations	\$ 22,786	\$ -	\$ 22,786	\$ 19,934	\$ 2,852
11	FY22 Carryover	-	5,412	5,412	3,144	2,267
22	FY21 Carryover	-	286	286	273	13
		\$ 22,786	\$ 5,698	\$ 28,484	\$ 23,351	\$ 5,132
Legislative Service Bureau						
02	Duties	\$ 30,557	\$ -	\$ 30,557	\$ -	\$ 30,557
11	FY22 Carryover	-	20,241	20,241	16,804	3,437
22	Carryover	-	8,993	8,993	8,992	1
		\$ 30,557	\$ 29,234	\$ 59,791	\$ 25,796	\$ 33,995
Lieutenant Governor						
02	Duties	\$ 715	\$ -	\$ 715	\$ 597	\$ 117
11	FY22 Carryover	-	109	109	108	-
	Agency Total	\$ 715	\$ 109	\$ 824	\$ 705	\$ 117
Tax Commission						
01	Duties	\$ 39,924	\$ -	\$ 39,924	\$ 29,473	\$ 10,451
01	REAL ID Reimbursement	4,000	-	4,000	3,667	333
01	LEAD Fund (HB4455)	698,020	-	698,020	6,997	691,023
	Agency Total	\$ 741,944	\$ -	\$ 741,944	\$ 40,137	\$ 701,807
Treasurer						
01	Duties	\$ 2,985	\$ -	\$ 2,985	\$ 1,218	\$ 1,767
02	State Land Reimbursements	95	-	95	95	-
	Agency Total	\$ 3,080	\$ -	\$ 3,080	\$ 1,313	\$ 1,767
General Government Total		\$ 1,007,408	\$ 95,130	\$ 1,102,538	\$ 332,470	\$ 770,065

		GENERAL FUND				
		BUDGET			ACTUAL	VARIANCE
		ORIGINAL	Amendments	FINAL		
HEALTH SERVICES						
Department of Health						
01	Duties	\$ 39,845	\$ -	\$ 39,845	\$ 33,024	\$ 6,821
01	Duties	21,993	-	21,993	-	21,993
11	FY22 Carryover	-	10,458	10,458	10,458	-
	Agency Total	\$ 61,838	\$ 10,458	\$ 72,296	\$ 43,482	\$ 28,814
Mental Health and Substance Abuse						
01	Duties	\$ 272,790	\$ -	\$ 272,790	\$ 199,388	\$ 73,402
01	Duties	50,000	-	50,000	-	50,000
01	Duties (FY23 Alcohol Beverage Control Fund)	13,478	-	13,478	-	13,478
02	Duties (FY21 Alcohol Beverage Control Fund)	1,792	-	1,792	1,792	-
	Agency Total	\$ 338,060	\$ -	\$ 338,060	\$ 201,180	\$ 136,880
Health Care Authority						
01	Duties (to Disbursing Funds 200 and 340)	\$ 859,858	\$ -	\$ 859,858	\$ 859,858	\$ -
01	Duties (from FY23 Health Care Enhancement Fund to Disbursing Funds)	148,825	-	148,825	138,498	10,327
02	To Rate Preservation Fund (to Fund 236 and Disbursing Fund)	164,138	-	164,138	164,138	-
02	Duties (from FY21 Health Care Enhancement Fund to Disbursing Funds)	14,363	-	14,363	14,363	-
03	Duties (to Disbursing Funds 200 and 340)	38,585	-	38,585	38,585	-
	Agency Total	\$ 1,225,769	\$ -	\$ 1,225,769	\$ 1,215,442	\$ 10,327
Health Services Total		\$ 1,625,667	\$ 10,458	\$ 1,636,125	\$ 1,460,104	\$ 176,021
LEGAL AND JUDICIARY						
Indigent Defense System						
01	Duties	\$ 24,732	\$ -	\$ 24,732	\$ 17,915	\$ 6,817
11	FY22 Carryover	-	2,812	2,812	2,693	119
21	FY21 Carryover	-	775	775	775	-
	Agency Total	\$ 24,732	\$ 3,587	\$ 28,319	\$ 21,383	\$ 6,936
Attorney General						
01	Duties	\$ 21,839	\$ -	\$ 21,839	\$ 20,085	\$ 1,754
02	Extraordinary Litigation Costs	10,000	-	10,000	1,499	8,501
03	Human Trafficking	5,300	-	5,300	-	5,300
05	To Legal Services Fund	959	-	959	959	-
	Agency Total	\$ 38,098	\$ -	\$ 38,098	\$ 22,543	\$ 15,555
Court of Criminal Appeals						
01	Duties	\$ 4,100	\$ -	\$ 4,100	\$ 3,600	\$ 500
11	FY22 Carryover	-	665	665	665	-
	Agency Total	\$ 4,100	\$ 665	\$ 4,765	\$ 4,265	\$ 500
District Courts						
01	Duties - District Courts	\$ 53,815	\$ -	\$ 53,815	\$ 49,433	\$ 4,382
11	FY22 Carryover	-	2,696	2,696	2,696	-
	Agency Total	\$ 53,815	\$ 2,696	\$ 56,511	\$ 52,129	\$ 4,382
Supreme Court						
01	Duties	\$ 16,573	\$ -	\$ 16,573	\$ 15,542	\$ 1,031
11	FY22 Carryover	-	1,959	1,959	1,786	173
	Agency Total	\$ 16,573	\$ 1,959	\$ 18,532	\$ 17,328	\$ 1,204
Legal and Judiciary Total		\$ 137,318	\$ 8,907	\$ 146,225	\$ 117,648	\$ 28,577

GENERAL FUND

		BUDGET				
		ORIGINAL	Amendments	FINAL	ACTUAL	VARIANCE

MUSEUMS

J.M. Davis Arms and Historical Museum

01	Duties	\$ 540	\$ -	\$ 540	\$ 498	\$ 42
11	FY22 Carryover	-	51	51	51	-
Agency Total		\$ 540	\$ 51	\$ 591	\$ 549	\$ 42

Historical Society

01	Duties	\$ 13,967	\$ -	\$ 13,967	\$ 12,501	\$ 1,466
11	FY22 Carryover	-	954	954	565	389
Agency Total		\$ 13,967	\$ 954	\$ 14,921	\$ 13,066	\$ 1,855

Museums Total

		\$ 14,507	\$ 1,005	\$ 15,512	\$ 13,615	\$ 1,897
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NATURAL RESOURCES

Department of Agriculture

01	Duties	\$ 37,146	\$ -	\$ 37,146	\$ 29,919	\$ 7,227
04	Duties	8,415	-	8,415	8,415	-
11	FY22 Carryover	-	684	684	240	443
Agency Total		\$ 45,561	\$ 684	\$ 46,245	\$ 38,574	\$ 7,670

Department of Environmental Quality

01	Duties	\$ 20,323	\$ -	\$ 20,323	\$ 10,371	\$ 9,952
11	FY22 Carryover	-	290	290	290	-
Agency Total		\$ 20,323	\$ 290	\$ 20,613	\$ 10,661	\$ 9,952

Department of Tourism and Recreation

01	Duties	\$ 23,989	\$ -	\$ 23,989	\$ 22,609	\$ 1,380
11	FY22 Carryover	-	434	434	434	-
Agency Total		\$ 23,989	\$ 434	\$ 24,423	\$ 23,043	\$ 1,380

Conservation Commission

01	Duties	\$ 20,163	\$ -	\$ 20,163	\$ 15,101	\$ 5,062
02	Duties	-	2,101	2,101	87	2,014
11	FY22 Carryover	-	2,130	2,130	1,386	745
12	FY22 Carryover	-	1,066	1,066	374	693
Agency Total		\$ 20,163	\$ 5,297	\$ 25,460	\$ 16,948	\$ 8,514

Water Resources Board

01	Duties	\$ 8,445	\$ -	\$ 8,445	\$ 8,118	\$ 327
11	FY22 Carryover	17,100	505	17,605	2,213	15,392
Agency Total		\$ 25,545	\$ 505	\$ 26,050	\$ 10,331	\$ 15,719

Natural Resources Total

		\$ 135,581	\$ 7,210	\$ 142,791	\$ 99,557	\$ 43,235
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GENERAL FUND

PUBLIC SAFETY AND DEFENSE**Oklahoma Military Department**

		BUDGET				
		ORIGINAL	Amendments	FINAL	ACTUAL	VARIANCE
01	Duties	\$ 18,912	\$ -	\$ 18,912	\$ 10,797	\$ 8,115
11	FY22 Carryover	-	1,724	1,724	1,119	606
	Agency Total	\$ 18,912	\$ 1,724	\$ 20,636	\$ 11,916	\$ 8,721

Alcohol Beverage Laws Enforcement

01	Duties	\$ 2,754	\$ -	\$ 2,754	\$ 2,388	\$ 365
	Agency Total	\$ 2,754	\$ -	\$ 2,754	\$ 2,388	\$ 365

Department of Corrections

01	Duties	\$ 526,633	\$ -	\$ 526,633	\$ 458,500	\$ 68,132
01	Duties	25,450	-	25,450	25,450	-
11	FY22 Carryover	-	41,903	41,903	41,795	107
	Agency Total	\$ 552,083	\$ 41,903	\$ 593,986	\$ 525,745	\$ 68,239

District Attorneys Council

01	Duties	\$ 70,780	\$ -	\$ 70,780	\$ 65,351	\$ 5,428
11	FY21 Carryover	-	1,957	1,957	1,949	8
	Agency Total	\$ 70,780	\$ 1,957	\$ 72,737	\$ 67,300	\$ 5,436

Pardon and Parole Board

01	Duties	\$ 2,433	\$ -	\$ 2,433	\$ 1,103	\$ 1,330
11	FY22 Carryover	-	1,757	1,757	1,195	563
	Agency Total	\$ 2,433	\$ 1,757	\$ 4,190	\$ 2,298	\$ 1,893

State Bureau of Investigation

01	Duties	\$ 27,442	\$ -	\$ 27,442	\$ 27,442	\$ -
	Agency Total	\$ 27,442	\$ -	\$ 27,442	\$ 27,442	\$ -

Department of Emergency Management

01	Duties	\$ 1,477	\$ -	\$ 1,477	\$ 1,403	\$ 74
11	FY22 Carryover	-	317	317	150	167
	Agency Total	\$ 1,477	\$ 317	\$ 1,794	\$ 1,553	\$ 241

Board of Medicolegal Investigations

01	Duties	\$ 15,206	\$ -	\$ 15,206	\$ 12,720	\$ 2,487
11	FY22 Carryover	-	2,384	2,384	2,384	-
	Agency Total	\$ 15,206	\$ 2,384	\$ 17,590	\$ 15,104	\$ 2,487

Council on Law Enforcement, Education, and Training

01	Duties	\$ 4,808	\$ -	\$ 4,808	\$ -	\$ 4,808
01	Duties	2,514	-	2,514	2,080	433
11	FY22 Carryover	-	28	28	-	28
12	FY22 Carryover	-	151	151	41	110
	Agency Total	\$ 7,322	\$ 179	\$ 7,501	\$ 2,121	\$ 5,379

GENERAL FUND

		BUDGET				
		ORIGINAL	<i>Amendments</i>	FINAL	ACTUAL	VARIANCE
Bureau of Narcotics and Dangerous Drugs						
01	Duties	\$ 3,145	\$ -	\$ 3,145	\$ 3,115	\$ 30
02	Enhance Marijuana Enforcement Teams	5,300	-	5,300	4,099	1,201
	Agency Total	<u>\$ 8,445</u>	<u>\$ -</u>	<u>\$ 8,445</u>	<u>\$ 7,214</u>	<u>\$ 1,231</u>

Department of Public Safety

01	Duties	\$ 90,458	\$ -	\$ 90,458	\$ 82,880	\$ 7,578
01	Duties (from St Public Safety fund FY23)	15,987	-	15,987	13,159	2,828
21	FY21 Carryover	-	948	948	903	45
	Agency Total	<u>\$ 106,445</u>	<u>\$ 948</u>	<u>\$ 107,393</u>	<u>\$ 96,942</u>	<u>\$ 10,451</u>

Public Safety and Defense Total

		<u>\$ 813,299</u>	<u>\$ 51,169</u>	<u>\$ 864,468</u>	<u>\$ 760,023</u>	<u>\$ 104,443</u>
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REGULATORY SERVICES

Department of Mines

01	Duties	\$ 770	\$ -	\$ 770	\$ 761	\$ 9
02	Duties	-	251	251	(60)	311
11	FY21 Carryover	-	23	23	23	-
	Agency Total	<u>\$ 770</u>	<u>\$ 274</u>	<u>\$ 1,044</u>	<u>\$ 724</u>	<u>\$ 320</u>

Corporation Commission

01	Duties	\$ 16,964	\$ -	\$ 16,964	\$ -	\$ 16,964
11	FY22 Carryover	-	631	631	631	-
22	FY22 Carryover	-	1,052	1,052	1,052	-
	Agency Total	<u>\$ 16,964</u>	<u>\$ 1,683</u>	<u>\$ 18,647</u>	<u>\$ 1,683</u>	<u>\$ 16,964</u>

Department of Labor

01	Duties (Special OHSa Fund FY23)	\$ 1,187	\$ -	\$ 1,187	\$ 880	\$ 307
02	Duties	1,833	-	1,833	1,561	273
02	Duties (Special OHSa Fund FY21)	558	-	558	436	122
11	FY22 Carryover	-	511	511	511	-
	Agency Total	<u>\$ 3,578</u>	<u>\$ 511</u>	<u>\$ 4,089</u>	<u>\$ 3,388</u>	<u>\$ 702</u>

Regulatory Services Total

		<u>\$ 21,312</u>	<u>\$ 2,468</u>	<u>\$ 23,780</u>	<u>\$ 5,795</u>	<u>\$ 17,986</u>
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SOCIAL SERVICES

Commission on Children and Youth

01	Duties	\$ 2,509	\$ -	\$ 2,509	\$ 2,333	\$ 177
11	FY22 Carryover	-	351	351	-	351
21	FY21 Carryover	-	200	200	200	-
	Agency Total	<u>\$ 2,509</u>	<u>\$ 551</u>	<u>\$ 3,060</u>	<u>\$ 2,533</u>	<u>\$ 528</u>

Office of Disability Concerns

01	Duties	\$ 327	\$ -	\$ 327	\$ 111	\$ 216
	Agency Total	<u>\$ 327</u>	<u>\$ -</u>	<u>\$ 327</u>	<u>\$ 111</u>	<u>\$ 216</u>

		GENERAL FUND				
		BUDGET			ACTUAL	VARIANCE
		ORIGINAL	Amendments	FINAL		
Office of Juvenile Affairs						
01	Duties	\$ 101,627	\$ -	\$ 101,627	\$ 81,137	\$ 20,490
11	FY22 Carryover	-	4,974	4,974	4,312	662
	Agency Total	\$ 101,627	\$ 4,974	\$ 106,601	\$ 85,449	\$ 21,152
Department of Veterans Affairs						
01	Duties	\$ 40,905	\$ -	\$ 40,905	\$ 32,439	\$ 8,467
11	FY22 Carryover	-	1,622	1,622	1,622	-
11	FY22 Carryover	-	1,792	1,792	1,792	-
	Agency Total	\$ 40,905	\$ 3,414	\$ 44,319	\$ 35,853	\$ 8,467
J.D. McCarty Center						
01	Duties	\$ 4,756	\$ -	\$ 4,756	\$ 4,727	\$ 28
	Agency Total	\$ 4,756	\$ -	\$ 4,756	\$ 4,727	\$ 28
Department of Rehabilitation Services						
01	Duties (to disbursing funds)	\$ 35,623	\$ -	\$ 35,623	\$ 35,623	\$ -
	Agency Total	\$ 35,623	\$ -	\$ 35,623	\$ 35,623	\$ -
Department of Human Services						
01	Duties (to Disbursing Funds)	\$ 729,913	\$ -	\$ 729,913	\$ 729,913	\$ -
01	Duties (to Disbursing Funds)	20,000	-	20,000	20,000	-
	Agency Total	\$ 749,913	\$ -	\$ 749,913	\$ 749,913	\$ -
Social Services Total		\$ 935,660	\$ 8,939	\$ 944,599	\$ 914,209	\$ 30,391
TRANSPORTATION						
Department of Transportation						
01	Duties	\$ 22,000	\$ -	\$ 22,000	\$ 22,000	\$ -
	Agency Total	\$ 22,000	\$ -	\$ 22,000	\$ 22,000	\$ -
Oklahoma Aeronautics Commission						
01	Duties	\$ 4,000	\$ -	\$ 4,000	\$ 1,542	\$ 2,458
11	FY22 Carryover	-	1,039	1,039	996	43
	Agency Total	\$ 4,000	\$ 1,039	\$ 5,039	\$ 2,538	\$ 2,501
Oklahoma Space Industry Development Auth.						
01	Duties to Space Industries Dev.	\$ 500	\$ -	\$ 500	\$ 500	\$ -
	Agency Total	\$ 500	\$ -	\$ 500	\$ 500	\$ -
Transportation Total		\$ 26,500	\$ 1,039	\$ 27,539	\$ 25,038	\$ 2,501
General Fund Total		\$ 7,099,221	\$ 295,470	\$ 7,394,691	\$ 6,163,893	\$ 1,230,796

	GENERAL FUND				
	BUDGET			ACTUAL	VARIANCE
	ORIGINAL	Amendments	FINAL		
Education Revenue Total	\$ 75,109	\$ -	\$ 75,109	\$ 105,746	\$ 30,637
General Government Revenue Total	\$ 7,527,297	\$ -	\$ 7,527,297	\$ 9,641,982	\$ 2,114,685
Heath Services Revenue Total	\$ 156,658	\$ -	\$ 156,658	\$ 138,340	\$ (18,318)
Public Safety and Defense Total	\$ 37,872	\$ -	\$ 37,872	\$ 40,750	\$ 2,878
Regulatory Services Total	\$ 1,249	\$ -	\$ 1,249	\$ 1,121	\$ (128)
Revenue Total	<u>\$ 7,798,185</u>	<u>\$ -</u>	<u>\$ 7,798,185</u>	<u>\$ 9,927,939</u>	<u>\$ 2,129,754</u>

Notes to Required Supplementary Information - Budgetary Reporting

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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 15th 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, 2023, is presented below (expressed in thousands) for the general fund:

Budgetary Basis Fund Balance, June 30, 2022	\$ 10,184,376
Total revenues	9,927,939
Total expenditures	(1,878,812)
Net transfers in (out) of funds	<u>(4,286,081)</u>
Budgetary Basis Fund Balance, June 30, 2023	\$ 13,947,422
Entity and Perspective Differences:	
Non-budgeted Funds and Capital Funds	2,054,518
Encumbrances	229,428
Basis Differences:	
Add: Net accrued revenues, related receivables, and deferred revenues	896,328
Less: Net accrued expenditures and related liabilities	<u>(4,045,774)</u>
GAAP Basis Fund Balance, June 30, 2023	<u>\$ 13,081,922</u>

Pension Schedules
Required by GASB Statement Number 68
For the Fiscal Year Ended June 30, 2023
(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 https://ofprs.ok.gov	Law Enforcement Retirement 421 NW 13th Street, Suite 100 Oklahoma City, OK 73103 https://olers.ok.gov	Police Pension and Retirement 1001 NW 63rd Street, Suite 305 Oklahoma City, OK 73116 https://www.opprs.ok.gov
Public Employees Retirement 5400 N Grand Boulevard, Suite 400 Oklahoma City, OK 73112 https://www.opers.ok.gov	Uniform Retirement System for Justices and Judges PO Box 53007 Oklahoma City, OK 73152 https://www.opers.ok.gov	Teachers' Retirement System 301 NW 63rd St., Suite 500 Oklahoma City, OK 73116 https://oklahoma.gov/trs
	Department of Wildlife Conservation 1801 N Lincoln Blvd. Oklahoma City, OK 73105 https://www.wildlifedepartment.com	

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)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 2,347	\$ 2,190	\$ 2,711	\$ 2,486	\$ 2,308	\$ 2,494	\$ 2,988	\$ 3,197	\$ 3,691	\$ 4,307
Contributions in relation to the actuarially determined contribution	2,250	2,500	4,313	2,288	2,500	3,100	4,780	3,700	4,307	4,300
Contribution deficiency (excess)	\$ 97	\$ (310)	\$ (1,602)	\$ 198	\$ (192)	\$ (606)	\$ (1,792)	\$ (503)	\$ (616)	\$ 7
Covered payroll	\$ 10,432	\$ 11,083	\$ 11,274	\$ 11,632	\$ 12,082	\$ 12,208	\$ 12,806	\$ 13,388	\$ 13,667	\$ 13,599
Contributions as percentage of covered payroll	21.57%	22.56%	38.26%	19.67%	20.69%	25.39%	37.33%	27.64%	31.51%	31.62%

Schedule of Net Pension Liability
Wildlife Commission Retirement Plan
Last Ten Fiscal Years
(Expressed in thousands)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Total Pension Liability										
Service cost	\$ 1,373	\$ 1,398	\$ 1,480	\$ 1,482	\$ 1,550	\$ 1,627	\$ 1,848	\$ 1,840	\$ 1,930	\$ 1,988
Interest	9,444	9,258	8,873	8,605	8,364	8,203	7,832	7,586	7,296	7,057
Differences between expected and actual experience	(2,060)	479	3,408	1,434	688	(883)	456	(357)	293	(844)
Changes in benefit terms				-	-	-	1,156	-	-	-
Changes of assumptions	2,632			-	-	-	195	-	-	-
Benefit payments	(8,560)	(8,347)	(8,025)	(7,339)	(6,843)	(6,315)	(5,594)	(5,540)	(5,032)	(4,445)
Net Change in Total Pension Liability	\$ 2,829	\$ 2,788	\$ 5,736	\$ 4,182	\$ 3,759	\$ 2,632	\$ 5,893	\$ 3,529	\$ 4,487	\$ 3,756
Total Pension Liability - Beginning	137,816	135,028	129,292	125,110	121,351	118,719	112,826	109,297	104,810	101,054
Total Pension Liability - Ending	<u>\$140,645</u>	<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>
Plan Fiduciary Net Position										
Contributions - employer	\$ 2,500	\$ 4,313	\$ 2,288	\$ 2,500	\$ 3,100	\$ 4,780	\$ 3,700	\$ 4,307	\$ 4,300	\$ 4,100
Contributions - member	554	563	582	604	610	633	663	655	681	698
Net investment income	(16,752)	26,764	5,892	7,753	8,500	10,797	492	4,097	12,370	7,483
Benefit payments	(8,560)	(8,347)	(8,025)	(7,339)	(6,843)	(6,315)	(5,593)	(5,540)	(5,032)	(4,445)
Administrative expense	(40)	(26)	(46)	(25)	(58)	(52)	(55)	(49)	(38)	(38)
Net change in plan fiduciary net position	\$(22,298)	\$ 23,267	\$ 691	\$ 3,493	\$ 5,309	\$ 9,843	\$ (793)	\$ 3,470	\$ 12,281	\$ 7,798
Plan fiduciary net position - beginning	141,741	118,474	117,783	114,290	108,981	99,138	99,931	96,461	84,180	76,382
Plan fiduciary net position - ending	<u>\$119,443</u>	<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 (asset)	<u>\$21,202</u>	<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	\$140,645	\$ 137,816	\$ 135,028	\$ 129,292	\$ 125,110	\$ 121,351	\$ 118,719	\$ 112,826	\$ 109,297	\$ 104,810
Plan fiduciary net position	119,443	141,741	118,474	117,783	114,290	108,981	99,138	99,931	96,461	84,180
Net pension liability (asset)	<u>\$21,202</u>	<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	84.93%	102.85%	87.74%	91.10%	91.35%	89.81%	83.51%	88.57%	88.26%	80.32%
Covered payroll	\$11,083	\$ 11,274	\$ 11,632	\$ 12,082	\$ 12,208	\$ 12,806	\$ 13,388	\$ 13,667	\$ 13,599	\$ 14,300
Net pension liability (asset) as a percentage of covered payroll	191.30%	-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 2023 was determined as part of the July 1, 2023, actuarial valuation using the entry age normal method. The actuarial assumptions included a) a 7.0% investment rate of return (net of administrative expense), b) projected salary increases of 3.0%-7.0%, and c) a 2% cost-of-living adjustment for members receiving a benefit as of December 31, 2019.

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)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 35,938	\$ 35,628	\$ 37,289	\$ 34,527	\$ 31,265	\$ 32,467	\$ 33,110	\$ 33,291	\$ 31,838	\$ 43,775
Contributions in relation to the actuarially determined contribution	\$ 11,950	\$ 9,568	\$ 9,878	\$ 9,504	\$ 8,922	\$ 9,083	\$ 9,262	\$ 10,219	\$ 9,438	\$ 8,566
Contributions--State of Oklahoma insurance premium tax	26,934	25,286	20,767	24,382	24,040	23,673	21,843	22,981	22,861	21,165
Total Contribution	\$ 38,884	\$ 34,854	\$ 30,645	\$ 33,886	\$ 32,962	\$ 32,756	\$ 31,105	\$ 33,200	\$ 32,299	\$ 29,731
Contribution deficiency (excess)	\$ (2,946)	\$ 774	\$ 6,644	\$ 641	\$ (1,697)	\$ (289)	\$ 2,005	\$ 91	\$ (461)	\$ 14,044
Covered payroll	\$ 113,563	\$ 86,748	\$ 85,004	\$ 87,674	\$ 85,407	\$ 86,121	\$ 86,496	\$ 88,683	\$ 84,880	\$ 76,838
Contributions as percentage of covered payroll	34.24%	40.18%	36.05%	38.65%	38.59%	38.03%	35.96%	37.44%	38.05%	38.69%

Schedule of Net Pension Liability Oklahoma Law Enforcement Retirement System Last Nine Fiscal Years (Expressed in thousands)

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability									
Service cost	\$ 21,066	\$ 21,975	\$ 21,897	\$ 22,215	\$ 22,654	\$ 23,670	\$ 23,126	\$ 22,087	\$ 20,294
Interest	91,371	88,833	84,761	80,698	78,022	75,080	72,766	66,613	64,959
Changes in benefit terms	311	-	5,382	-	832	-	-	-	-
Differences between expected and actual experience	(7,575)	(12)	10,419	13,873	(5,997)	(2,307)	6,137	51,090	(9,771)
Changes in assumptions	(10,205)	-	-	-	-	1,107	-	-	-
Benefit payments	(82,301)	(71,815)	(64,641)	(60,647)	(59,048)	(57,612)	(58,348)	(57,187)	(49,777)
Net Change in Total Pension Liability	\$ 12,667	\$ 38,981	\$ 57,818	\$ 56,139	\$ 36,463	\$ 39,938	\$ 43,681	\$ 82,603	\$ 25,705
Total Pension Liability - Beginning	1,258,688	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	\$ 1,271,355	\$ 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									
Contributions - employer	\$ 9,568	\$ 9,878	\$ 9,504	\$ 8,922	\$ 9,083	\$ 9,262	\$ 10,219	\$ 9,438	\$ 8,566
Contributions - nonemployer	6,714	6,647	24,382	24,040	23,673	21,843	22,981	22,861	21,165
Contributions - member	25,286	20,767	6,770	6,691	6,667	6,832	6,866	6,390	5,787
Net investment income	(128,388)	277,534	12,480	40,138	80,005	106,519	(22,244)	34,802	121,403
Benefit payments	(82,301)	(71,815)	(64,641)	(60,647)	(59,048)	(57,612)	(58,348)	(57,187)	(49,777)
Administrative expense	(1,505)	(1,432)	(1,479)	(1,131)	(1,092)	(1,083)	(1,031)	(1,069)	(927)
Net change in plan fiduciary net position	\$ (170,626)	\$ 241,579	\$ (12,984)	\$ 18,013	\$ 59,288	\$ 85,761	\$ (41,557)	\$ 15,235	\$ 106,217
Plan fiduciary net position - beginning	1,245,241	1,003,662	1,016,646	998,633	939,345	853,584	895,141	879,906	773,689
Plan fiduciary net position - ending	\$ 1,074,615	\$ 1,245,241	\$ 1,003,662	\$ 1,016,646	\$ 998,633	\$ 939,345	\$ 853,584	\$ 895,141	\$ 879,906
Net pension liability (asset)	\$ 196,740	\$ 13,447	\$ 216,045	\$ 145,243	\$ 107,117	\$ 129,942	\$ 188,960	\$ 103,722	\$ 36,354
Total pension liability	\$ 1,271,355	\$ 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	1,074,615	1,245,241	1,003,662	1,016,646	998,633	939,345	853,584	895,141	879,906
Net pension liability (asset)	\$ 196,740	\$ 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	84.53%	98.93%	82.29%	87.50%	90.31%	87.85%	81.88%	89.62%	96.03%
Covered payroll	\$ 86,748	\$ 85,004	\$ 87,674	\$ 85,407	\$ 86,121	\$ 86,496	\$ 88,683	\$ 84,880	\$ 76,838
Net pension liability (asset) as a percentage of covered payroll	226.79%	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 2023 was determined as part of the July 1, 2023, 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 2.75%.

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, 2023, valuation: Adopted a new amortization method to fund the system’s unfunded actuarial accrued liability (UAAL). The new method uses a layered approach where a new base is created each year and subsequently amortization, as a level of pay, over a closed 15-year period. The total UAAL as of July 1, 2023, will serve as the initial base and be amortized over a closed 15-year period starting July 1, 2023. All subsequent changes in the UAAL will also be amortized over separate 15-year amortization bases, each with their own individual payment schedules, starting on the valuation date that they were calculated. This change in amortization method will result in more stable contribution rates over time. This change decreased the total required contribution rate by 26.84% of pay.

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).

Schedule of Contributions
Uniform Retirement System for Judges and Justices
Last Ten Fiscal Years
(Expressed in thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ (868)	\$ (420)	\$ 3,254	\$ 790	\$ 352	\$ 1,638	\$ 3,626	\$ 3,454	\$ 4,897	\$ 7,215
Actual Employer Contributions	8,251	7,642	7,618	7,384	7,146	6,504	6,013	5,832	5,295	4,611
Contribution deficiency (excess)	<u>\$ (9,119)</u>	<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	\$36,392	\$36,299	\$ 35,377	\$35,113	\$ 33,839	\$ 33,359	\$ 34,811	\$ 34,537	\$ 34,282	\$ 34,325
Contributions as percentage of employee payroll	22.67%	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 Nine Years
(Expressed in thousands)

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability									
Service cost	\$ 9,879	\$ 9,841	\$ 9,194	\$ 9,003	\$ 8,897	\$ 10,085	\$ 9,689	\$ 9,602	\$ 9,489
Interest	21,284	20,719	20,642	19,623	19,162	19,229	19,341	18,812	18,529
Differences between expected and actual experience	2,129	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	(23,525)	(23,063)	(22,025)	(20,382)	(18,461)	(17,648)	(17,198)	(16,093)	(14,939)
Refunds of contributions	(23)	(85)	(185)	(67)	(52)	(89)	(161)	(111)	(57)
Net Change in Total Pension Liability	\$ 9,744	\$ 8,877	\$ 24,351	\$ 15,421	\$ 7,542	\$ 8,892	\$ 10,034	\$ 7,612	\$ 4,379
Total Pension Liability - Beginning	339,029	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>\$ 348,773</u>	<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>
Plan Fiduciary Net Position									
Contributions - employer	\$ 7,642	\$ 7,618	\$ 7,384	\$ 7,145	\$ 6,504	\$ 6,013	\$ 5,832	\$ 5,295	\$ 4,611
Contributions - member	2,867	2,863	2,766	2,666	2,608	2,664	2,666	2,706	2,544
Net investment income	(62,133)	94,482	15,537	20,128	26,189	36,312	1,441	8,174	46,211
Benefit payments	(23,525)	(23,063)	(22,025)	(20,384)	(18,461)	(17,648)	(17,198)	(16,093)	(14,939)
Administrative expense	(191)	(173)	(186)	(169)	(154)	(153)	(149)	(144)	(132)
Refunds of contributions	(23)	(85)	(185)	(65)	(52)	(89)	(161)	(111)	(57)
Net change in plan fiduciary net position	\$ (75,363)	\$ 81,642	\$ 3,291	\$ 9,321	\$ 16,634	\$ 27,099	\$ (7,569)	\$ (173)	\$ 38,238
Plan fiduciary net position - beginning	429,151	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>\$ 353,788</u>	<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 liability (asset)	<u>\$ (5,015)</u>	<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	\$ 348,773	\$ 339,029	\$ 330,152	\$ 305,801	\$ 290,380	\$ 282,838	\$ 276,434	\$ 266,400	\$ 258,788
Plan fiduciary net position	353,788	429,151	347,509	344,218	334,897	318,263	293,727	301,296	301,469
Net pension liability (asset)	<u>\$ (5,015)</u>	<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	101.44%	126.58%	105.26%	112.56%	115.33%	112.52%	106.26%	113.10%	116.49%
Covered payroll	\$ 36,299	\$ 35,377	\$ 35,113	\$ 33,839	\$ 33,359	\$ 34,811	\$ 34,537	\$ 34,282	\$ 34,325
Net pension liability (asset) as a percentage of covered payroll	13.82%	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 2023 was determined as part of the July 1, 2023, 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, 2023, valuation: Pub-2010 Below Media, General Membership Active/ Retiree Healthy Mortality Table with base rates projected generationally using Scale MP-2019. Male rates are set back two years, and female rates are unadjusted.

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)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Plan fiduciary position as a percentage of the total pension liability	69.49%	84.24%	69.98%	72.85%	70.73%	66.61%	64.87%	68.27%	68.12%	61.62%
Covered payroll	\$ 327,747	\$ 313,346	\$ 318,472	\$ 307,735	\$ 303,091	\$ 285,073	\$ 273,621	\$ 270,536	\$ 271,572	\$ 253,955
Net pension liability as a percentage of covered payroll	399.01%	210.17%	386.82%	343.37%	371.39%	441.19%	446.50%	392.34%	378.66%	465.75%
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)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required employer contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Oklahoma, non employer contributions	114,291	102,442	72,924	103,592	101,700	100,333	88,134	92,330	91,236	79,545
Total required contributions	\$ 114,291	\$ 102,442	\$ 72,924	\$ 103,592	\$ 101,700	\$ 100,333	\$ 88,134	\$ 92,330	\$ 91,236	\$ 79,545
Actual employer contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Oklahoma, non employer contributions	114,291	102,442	72,924	103,592	101,700	100,333	88,134	92,330	91,236	79,545
Total Contributions	\$ 114,291	\$ 102,442	\$ 72,924	\$ 103,592	\$ 101,700	\$ 100,333	\$ 88,134	\$ 92,330	\$ 91,236	\$ 79,545
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 Nine Fiscal Years
(Expressed in thousands)

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Plan fiduciary position as a percentage of the total pension liability	92.24%	112.51%	91.59%	98.63%	97.96%	94.28%	89.48%	96.00%	97.90%
Covered payroll	\$1,199,439	\$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	54.00%	(85.38)%	56.48%	8.29%	11.55%	30.19%	54.85%	20.62%	10.83%
State portion of net pension liability (asset)	\$ 647,714	\$(1,047,881)	\$ 696,628	\$ 103,659	\$ 152,266	\$ 424,531	\$ 793,756	\$ 286,962	\$ 147,158
State employer portion of net pension liability	77.06%	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 Nine Fiscal Years
(Expressed in thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required employer contributions	\$ 228,274	\$ 221,074	\$ 214,996	\$ 213,938	\$ 205,894	\$ 203,294	\$ 215,582	\$ 236,347	\$ 234,246
Actual employer contribution	228,274	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	77.06%	78.07%	78.08%	77.83%	78.07%	78.52%	79.99%	79.78%	80.17%
Covered payroll	\$1,176,706	\$ 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	19.40%	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 Nine Fiscal Years
(Expressed in thousands)

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Plan fiduciary position as a percentage of the total pension liability	102.74%	117.07%	95.80%	100.24%	101.89%	99.68%	93.50%	99.82%	101.53%
Covered payroll	\$ 1,211	\$ 1,012	\$ 856	\$ 867	\$ 826	\$ 871	\$ 862	\$ 632	\$ 608
Net pension liability as a percentage of covered payroll	(22.54)%	(140.42)%	39.95%	(1.85)%	(15.38)%	2.53%	51.74%	1.90%	(11.84)%
State portion of net pension liability (asset)	\$ (273)	\$ (1,421)	\$ 342	\$ (16)	\$ (127)	\$ 22	\$ 446	\$ 12	\$ (72)
State employer portion of net pension liability	0.42%	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 Nine Fiscal Years
(Expressed in thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required employer contributions	\$ 205	\$ 157	\$ 132	\$ 111	\$ 113	\$ 117	\$ 113	\$ 112	\$ 173
State of Oklahoma, non employer contributions	44,456	39,848	28,368	40,295	39,559	39,028	34,283	35,915	35,490
Total required contributions	\$ 44,661	\$ 40,005	\$ 28,500	\$ 40,406	\$ 39,672	\$ 39,145	\$ 34,396	\$ 36,027	\$ 35,663
Actual employer contribution	\$ 205	157	132	111	113	117	113	112	173
State of Oklahoma, non employer contributions	44,456	39,848	28,368	40,295	39,559	39,028	34,283	35,915	35,490
Total Contributions	\$ 44,661	\$ 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	0.42%	0.34%	0.30%	0.25%	0.27%	0.29%	0.29%	0.29%	0.21%
Covered payroll	\$ 1,575	\$ 1,211	\$ 1,012	\$ 856	\$ 867	\$ 826	\$ 871	\$ 862	\$ 632
Actual contributions as a percentage of covered payroll	2,835.62%	3,303.47%	2,816.21%	4,720.33%	4,575.78%	4,739.10%	3,947.35%	4,179.47%	5,642.88%

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, 2023, valuation: Price inflation assumption stayed the same at 2.75%; salary increases assumption set from 3.50% to 12.00% average, including inflation; investment rate of return assumption was set at 7.50%, net of pension plan investment expense; cost-of-living adjustment basis assumption received an adjustment of 1/3 to 1/2 of the increase or decrease of any adjustment to the base salary of a regular employee, based on an increase in base salary of 3.50% (wage inflation); mortality rates have for active/ inactive members, healthy retirees, beneficiaries, and disabled retirees were adjusted using SOA Scale MP-2021.

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 Teachers' Retirement System Last Nine Fiscal Years (Expressed in thousands)

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Plan fiduciary position as a percentage of the total pension liability	70.05%	80.80%	63.47%	71.56%	72.74%	69.32%	62.24%	70.31%	72.43%
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	\$1,070,909
Net pension liability as a percentage of covered payroll	158.44%	100.19%	186.10%	143.92%	145.83%	159.91%	202.38%	149.35%	125.84%
State portion of net pension liability (assets)	\$1,798,264	\$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	21.90%	22.63%	23.93%	25.75%	26.46%	26.60%	26.84%	26.42%	24.88%

Schedule of Contributions Teachers' Retirement System Last Nine Fiscal Years (Expressed in thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required employer contributions	\$111,768	\$112,218	\$109,654	\$117,760	\$118,076	\$109,857	\$106,483	\$108,240	\$184,726
State of Oklahoma, non employer contributions	513,241	471,548	311,290	359,366	371,671	344,610	301,952	315,672	336,391
Total required contributions	\$625,009	\$583,766	\$420,944	\$477,126	\$489,747	\$454,467	\$408,435	\$423,912	\$521,117
Actual employer contribution	\$111,768	\$112,218	\$109,654	\$117,760	\$118,076	\$109,857	\$106,483	\$108,240	\$184,726
State of Oklahoma, non employer contributions	513,241	471,548	311,290	359,366	371,671	344,610	301,952	315,672	336,391
Total Contributions	\$625,009	\$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	21.90%	22.63%	23.93%	25.75%	26.46%	26.60%	26.84%	26.42%	24.88%
Covered payroll	\$1,168,886	\$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	53.47%	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:

2023: House Bill 4388 requires the portion of lottery annual proceeds deposited to the Oklahoma Education Lottery Trust Fund that exceeds \$65 million to be deposited into a Teacher Empowerment Fund. TRS will now only receive a portion of funds on the first \$65 million placed in the account annually. The provision was enacted May 26, 2022.

House Bill 2034 requires the treasurer to prepare and maintain, and provide to each state governmental entity, a list of all financial companies that boycott energy companies. It requires divestment of financial companies specified therein. The bill exempts a state pension system from the divestment requirements of the act if it determines that such requirements would be inconsistent with its fiduciary responsibility with respect to the investment of entity assets or other duties imposed by law relating to the investment of entity assets. This bill also prohibits the State and its political subdivisions from entering a contract with a company unless the company submits a written certification that the company is not currently engaged in a boycott of the oil and gas industry subject to certain rules. The provision was enacted May 9, 2022.

Senate Bill 1119 requires adjunct teachers (as described in 70 O.S. 6-122.3) will be considered non-classified optional personnel starting July 1, 2022. As non-classified optional personnel, these individuals would be considered eligible to participate in TRS as optional members if they are “regularly employed for twenty (20) hours or more per week.” 70 O.S. 17-103. As optional personnel, they will be subject to requirements regarding electing to participate in TRS. The provision was enacted April 29, 2022.

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. The provision was enacted May 3, 2021.

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. The provision was enacted May 7, 2021.

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, 2023, valuation: Inflation rate was increased to 2.75%; salary increases from 3.50% to 12.00% average, including inflation; and assumed investment return stayed the same at 7.50%.

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, 2023
(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 https://olers.ok.gov	Public Employees Retirement P.O. Box 53007 Oklahoma City, OK 73152-3007 https://www.opers.ok.gov	Office of Management and Enterprise Services 2401 N. Lincoln Blvd, Suite 212 Oklahoma City, OK 73105 https://oklahoma.gov/omes/divisions/employees-group-insurance-division
Department of Wildlife Conservation P.O. Box 53465 Oklahoma City, OK 73152 https://www.wildlifedepartment.com	Teachers' Retirement System PO Box 53524 Oklahoma City, OK 73152-3524 https://oklahoma.gov/trs	Uniform Retirement System for Justices and Judges P.O. Box 53007 Oklahoma City, OK 73152-3007 https://www.opers.ok.gov

Schedules of Contributions and Related Ratios

General Fund

Schedule of Contributions Employee Group Insurance Division – Implicit Rate Subsidy Last Seven Fiscal Years (expressed in thousands)

	2023	2022	2021	2020	2019	2018	2017
Actuarially required contributions	\$ 11,069	\$ 10,359	\$ 10,553	\$ 10,746	\$ 11,698	\$ 11,008	\$ 12,706
Contributions in relation to the							
Actuarially required contributions	\$ 11,069	\$ 10,359	\$ 10,553	\$ 10,746	\$ 11,698	\$ 11,008	\$ 12,706
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ TBD	\$ 1,773,431	\$ 1,729,592	1,696,478	\$ 1,585,455	\$ 1,537,569	\$ 1,521,794
Contributions as a percentage of							
covered employee payroll	TBD	0.58%	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 Six Fiscal Years
(expressed in thousands)

	2022	2021	2020	2019	2018	2017
Total OPEB liability						
Service cost	\$ 6,152	\$ 6,214	\$ 4,911	\$ 5,181	\$ 5,190	\$ 5,920
Interest	3,062	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	(12,521)	(177)	11,662	(12,507)	(540)	(7,404)
Benefit payments	(10,359)	(10,553)	(10,746)	(11,699)	(11,009)	(12,706)
Net change in total OPEB liability	\$ (13,666)	\$ (1,354)	\$ 9,893	\$ (14,002)	\$ (2,294)	\$ (9,693)
Total OPEB Liability-beginning	140,739	142,093	132,200	146,202	148,496	158,189
Total OPEB Liability-ending	<u>\$ 127,073</u>	<u>\$ 140,739</u>	<u>\$ 142,093</u>	<u>\$ 132,200</u>	<u>\$ 146,202</u>	<u>\$ 148,496</u>
Covered employee payroll	\$ 1,773,431	\$ 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	7.17%	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 Six Fiscal Years
(expressed in thousands)

	2023	2022	2021	2020	2019	2018
Actuarially required contributions	\$ 458	\$ 452	\$ 405	\$ 390	\$ 408	\$ 236
Contributions in relation to the actuarially required contributions	\$ 458	\$ 452	\$ 405	\$ 390	\$ 408	\$ 236
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 10,432	\$ 11,083	\$ 11,274	\$ 11,632	\$ 12,082	\$ 12,208
Contributions as a percentage of covered employee payroll	4.39%	4.08%	3.59%	3.35%	3.38%	1.93%

Schedule of Total Other Postemployment Benefit Liability
Wildlife Commission Retirement Plan
Last Six Fiscal Years
(expressed in thousands)

	2022	2021	2020	2019	2018	2017
Total OPEB liability						
Service cost	\$ 123	\$ 228	\$ 206	\$ 213	\$ 211	\$ 121
Interest	317	197	227	230	273	177
Changes of benefit terms	-	-	-	-	-	2,992
Difference between expected and actual experience	30	(222)	28	117	(63)	(28)
Changes of assumption or other inputs	(33)	(1,016)	458	119	695	180
Benefit payments	(459)	(452)	(405)	(390)	(408)	(238)
Net change in total OPEB liability	\$ (22)	\$ (1,265)	\$ 514	\$ 289	\$ 708	\$ 3,204
Total OPEB Liability-beginning	7,982	9,247	8,733	8,444	7,736	4,532
Total OPEB Liability-ending	\$ 7,960	\$ 7,982	\$ 9,247	\$ 8,733	\$ 8,444	\$ 7,736
Covered employee payroll	\$ 10,432	\$ 11,083	\$ 11,274	\$ 11,632	\$ 12,082	\$ 12,208
Total OPEB Liability as a percentage of covered employee payroll	76.30%	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 Seven Fiscal Years (expressed in thousands)

	2023	2022	2021	2020	2019	2018	2017
Actuarially required contributions	\$ 279	\$ 312	\$ 385	\$ 358	\$ 344	\$ 380	\$ 398
Contributions in relation to the actuarially required contributions	\$ 1,312	\$ 1,302	\$ 1,309	\$ 1,279	\$ 1,285	\$ 1,285	\$ 849
Contribution deficiency (excess)	\$ (1,033)	\$ (990)	\$ (924)	\$ (921)	\$ (941)	\$ (905)	\$ (451)
Covered employee payroll	N/A	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	N/A

Schedule of Net Other Postemployment Benefit Liability Oklahoma Law Enforcement Retirement System Last Six Fiscal Years (expressed in thousands)

	2022	2021	2020	2019	2018	2017
Total OPEB liability						
Service cost	\$ 321	\$ 333	\$ 338	\$ 340	\$ 343	\$ 357
Interest	943	917	926	939	933	958
Difference between expected and actual experience	(990)	(21)	(525)	(597)	(335)	(501)
Changes of assumption or other inputs	(1,285)	-	-	-	-	(304)
Benefit payments	(872)	(879)	(849)	(856)	(855)	(849)
Net change in total OPEB liability	\$ (1,883)	\$ 350	\$ (110)	\$ (174)	\$ 86	\$ (339)
Total OPEB Liability-beginning	13,008	12,658	12,768	12,942	12,856	13,195
Total OPEB Liability-ending	\$ 11,125	\$ 13,008	\$ 12,658	\$ 12,768	\$ 12,942	\$ 12,856
Plan fiduciary net position (OPEB)						
Contributions - state agencies	\$ 1,302	\$ 1,309	\$ 1,279	\$ 1,285	\$ 1,285	\$ 849
Net investment (loss) income	(217)	364	11	17	-	-
Health insurance premiums paid	(872)	(879)	(850)	(855)	(855)	(849)
Administrative expense	(3)	(2)	(1)	-	-	-
Net change in fiduciary net position	\$ 210	\$ 792	\$ 439	\$ 447	\$ 430	\$ -
Fiduciary net position OPEB-beginning	2,108	1,316	877	430	-	-
Fiduciary net position OPEB-ending	\$ 2,318	\$ 2,108	\$ 1,316	\$ 877	\$ 430	\$ -
Net OPEB Liability	\$ 8,807	\$ 10,900	\$ 11,342	\$ 11,891	\$ 12,512	\$ 12,856
Fiduciary net position as a percentage of the total OPEB liability	20.84%	16.21%	10.40%	6.87%	3.32%	0.00%
Covered payroll	N/A	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	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 Seven Fiscal Years
 (expressed in thousands)

	2023	2022	2021	2020	2019	2018	2017
Actuarially required contributions	\$ (7)	\$ (4)	\$ 28	\$ 7	\$ 3	\$ 15	\$ 35
Contributions in relation to the actuarially required contributions	\$ 215	\$ 217	\$ 232	\$ 203	\$ 187	\$ 180	\$ 178
Contribution deficiency (excess)	\$ (222)	\$ (221)	\$ (204)	\$ (196)	\$ (184)	\$ (165)	\$ (143)
Covered employee payroll	N/A	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	N/A

Schedule of Net Other Postemployment Benefit Liability
Uniform Retirement System for Justices and Judges
Last Six Fiscal Years
(expresses in thousands)

	2022	2021	2020	2019	2018	2017
Total OPEB liability						
Service cost	\$ 112	\$ 114	\$ 108	\$ 115	\$ 113	\$ 122
Interest	182	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	(209)	(206)	(209)	(197)	(183)	(179)
Net change in total OPEB liability	\$ 85	\$ 36	\$ 57	\$ 90	\$ 25	\$ 211
Total OPEB Liability-beginning	2,907	2,871	2,814	2,724	2,699	2,488
Total OPEB Liability-ending	<u>\$ 2,992</u>	<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	\$ 217	\$ 232	\$ 203	\$ 187	\$ 180	\$ 178
Net investment (loss) income	(532)	822	144	190	251	330
Health insurance premiums paid	(209)	(206)	(209)	(197)	(182)	(179)
Administrative expense	(2)	(2)	(2)	(1)	(1)	(1)
Net change in fiduciary net position	\$ (526)	\$ 846	\$ 136	\$ 179	\$ 248	\$ 328
Fiduciary net position OPEB-beginning	4,300	3,454	3,318	3,139	2,891	2,563
Fiduciary net position OPEB-ending	<u>\$ 3,774</u>	<u>\$ 4,300</u>	<u>\$ 3,454</u>	<u>\$ 3,318</u>	<u>\$ 3,139</u>	<u>\$ 2,891</u>
Net OPEB Liability	\$ (782)	\$ (1,393)	\$ (583)	\$ (504)	\$ (415)	\$ (192)
Fiduciary net position as a percentage of the total OPEB liability	126.13%	147.91%	120.31%	117.91%	115.23%	107.11%
Covered payroll	N/A	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	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 Seven Fiscal Years
 (expressed in thousands)

	2023	2022	2021	2020	2019	2018	2017
Actuarially required contributions	\$ 2,073	\$ 2,626	\$ 5,248	\$ 2,853	\$ 3,332	\$ 4,517	\$ 4,780
Contributions in relation to the actuarially required contributions	\$ 12,909	\$ 12,948	\$ 13,801	\$ 15,020	\$ 14,588	\$ 14,895	\$ 14,784
Contribution deficiency (excess)	\$ (10,836)	\$ (10,322)	\$ (8,553)	\$ (12,167)	\$ (11,256)	\$ (10,378)	\$ (10,004)
State portion of liability	77.06%	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	N/A
Contributions as a percentage of covered employee payroll	N/A	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 Six Fiscal Years
(expresses in thousands)

	2022	2021	2020	2019	2018	2017
Total OPEB liability						
Service cost	\$ 5,856	\$ 6,237	\$ 5,908	\$ 6,156	\$ 6,532	\$ 6,713
Interest	15,636	16,226	17,060	17,380	17,362	17,717
Difference between expected and actual experience	(15,000)	(14,706)	(14,744)	(14,617)	(8,274)	(13,158)
Changes of assumption or other inputs	1,403	3	11,629	31	-	8,695
Benefit payments	(13,296)	(13,819)	(14,187)	(14,441)	(14,708)	(14,918)
Net change in total OPEB liability	\$ (5,401)	\$ (6,059)	\$ 5,666	\$ (5,491)	\$ 912	\$ 5,049
Change in prior year allocation					(1,480)	-
Total OPEB Liability-beginning	250,290	256,349	250,683	256,174	255,262	251,693
Total OPEB Liability-ending	<u>\$ 244,889</u>	<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	\$ 12,779	\$ 13,801	\$ 15,020	\$ 14,588	\$ 14,895	\$ 14,784
Net investment (loss) income	(39,979)	64,822	11,330	14,664	19,909	28,068
Health insurance premiums paid	(13,296)	(13,819)	(14,188)	(14,442)	(14,708)	(14,918)
Administrative expense	(132)	(128)	(143)	(149)	(139)	(144)
Net change in fiduciary net position	\$ (40,628)	\$ 64,676	\$ 12,019	\$ 14,661	\$ 19,957	\$ 27,790
Fiduciary net position OPEB-beginning	357,633	292,957	280,938	266,277	247,748	219,958
Change in prior year allocation					(1,428)	
Adjusted fiduciary net position OPEB-beginning	\$ 357,633	\$ 292,957	\$ 280,938	\$ 266,277	\$ 246,320	\$ 219,958
Fiduciary net position OPEB-ending	<u>\$ 317,005</u>	<u>\$ 357,633</u>	<u>\$ 292,957</u>	<u>\$ 280,938</u>	<u>\$ 266,277</u>	<u>\$ 247,748</u>
Net OPEB Liability (Asset)	\$ (72,116)	\$ (107,343)	\$ (36,608)	\$ (30,255)	\$ (10,103)	\$ 8,994
State portion of liability	77.06%	78.08%	78.08%	77.83%	78.07%	78.52%
Fiduciary net position as a percentage of the total OPEB liability	130.01%	142.87%	114.27%	112.07%	103.94%	96.50%
Covered payroll	N/A	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	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 Seven Fiscal Years
 (expressed in thousands)

	2023	2022	2021	2020	2019	2018	2017
Actuarially required contributions	\$ 618	\$ -	\$ 1,378	\$ 214	\$ 226	\$ 771	\$ 1,698
Contributions in relation to the actuarially required contributions	\$ 618	\$ -	\$ 1,378	\$ 214	\$ 226	\$ 771	\$ 1,698
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State portion of liability	22.63%	22.63%	22.63%	23.40%	25.75%	26.46%	26.07%
Covered employee payroll	\$ 1,207,626	\$ 1,134,976	\$ 1,091,433	\$ 1,108,985	\$ 1,151,751	\$ 1,098,170	\$ 1,061,401
Contributions as a percentage of covered employee payroll	0.05%	0.00%	0.13%	0.02%	0.02%	0.07%	0.16%

Schedule of Net Other Postemployment Benefit Liability
Teachers' Retirement System
Last Six Fiscal Years
(expresses in thousands)

	2022	2021	2020	2019	2018	2017
Total OPEB liability						
Service cost	\$ 1,352	\$ 1,468	\$ 1,455	\$ 1,586	\$ 1,701	\$ 1,733
Interest	6,521	6,596	6,942	7,814	8,208	8,274
Difference between expected and actual experience	(455)	(1,188)	(1,260)	(2,560)	(2,597)	(3,699)
Changes of assumption or other inputs	(1)	76	7,431	466	-	-
Benefit payments	(7,820)	(7,957)	(8,347)	(9,192)	(9,782)	(7,903)
Net change in total OPEB liability	\$ (403)	\$ (1,005)	\$ 6,221	\$ (1,886)	\$ (2,470)	\$ (1,595)
Total OPEB Liability-beginning	\$ 114,331	\$ 115,336	\$ 109,115	\$ 111,001	\$ 111,796	\$ 113,391
Change in prior year allocation				-	1,675	-
Total OPEB Liability-ending	\$ 113,928	\$ 114,331	\$ 115,336	\$ 109,115	\$ 111,001	\$ 111,796
Plan fiduciary net position (OPEB)						
Contributions - state agencies	\$ -	\$ 1,378	\$ 214	\$ 226	\$ 771	\$ 1,698
Net investment (loss) income	(11,508)	32,089	754	5,895	11,846	16,244
Health insurance premiums paid	(7,820)	(7,957)	(8,347)	(9,192)	(9,782)	(7,903)
Administrative expense	(1)	(8)	-	(1)	(3)	(7)
Net change in fiduciary net position	\$ (19,329)	\$ 25,502	\$ (7,379)	\$ (3,072)	\$ 2,832	\$ 10,032
Fiduciary net position OPEB-beginning	143,156	117,654	125,033	128,105	123,423	113,391
Change in prior year allocation			-	-	1,850	-
Fiduciary net position OPEB-ending	\$ 123,827	\$ 143,156	\$ 117,654	\$ 125,033	\$ 128,105	\$ 123,423
Net OPEB Liability	\$ (9,899)	\$ (28,825)	\$ (2,318)	\$ (15,918)	\$ (17,104)	\$ (11,627)
State portion of liability	22.63%	22.63%	23.40%	25.75%	26.46%	26.07%
Fiduciary net position as a percentage of the total OPEB liability	108.69%	125.21%	102.30%	115.07%	115.41%	110.40%
Covered payroll	\$ 1,134,976	\$ 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	(0.87%)	(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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Oklahoma is a permanent or temporary home for many hundreds of species that are not hunted nor fished. This Wilson's phalarope visiting Hackberry Flat Wildlife Management Area, photographed by Jeremiah Zurenda, is a great example.





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 13th 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.ok.gov/opprs>

The system provides retirement benefits for justices and judges in the State of Oklahoma.

OKLAHOMA POLICE PENSION AND RETIREMENT SYSTEM

1001 N.W. 63rd Street, Suite 305, Oklahoma City, Oklahoma 73116

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, 2023
(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	
Assets								
Cash/Cash Equivalents	\$ 4,810	\$ 43,956	\$ 10,093	\$ 120,762	\$ 1,970	\$ 55,420	\$ 692,058	\$ 929,069
Investments, at fair value								
Equity Securities	99,053	1,994,523	610,781	7,735,001	265,205	1,228,002	12,064,777	23,997,342
Governmental Securities	8,214	27,541	78,660	2,545,792	87,740	34,110	1,835,469	4,617,526
Debt Securities	5,433	323,364	157,636	955,852	33,483	444,035	3,038,981	4,958,784
Other Investments	11,458	1,037,348	265,786	9,650	-	1,233,094	3,274,857	5,832,193
Securities Lending Investments	-	89,930	73,889	348,120	10,196	3,933	642,266	1,168,334
Interest and Investment								
Revenue Receivable	-	2,323	796	26,729	614	1,862	91,107	123,431
Contributions Receivable:								
Employer	-	1,981	1,043	2,900	712	2,021	44,644	53,301
Employee	-	1,273	738	4,583	259	1,244	27,281	35,378
Other Receivables	-	-	273	-	-	19,341	-	19,614
Due from Broker	-	2,648	-	300,009	10,553	1,573	530,765	845,548
Due from Component Units	-	-	-	626	-	-	-	626
Due from Other Funds	-	22,088	4,100	12,760	-	8,590	55,202	102,740
Capital Assets, Net	-	717	650	-	-	-	3,387	4,754
Other Assets	-	-	-	709	-	-	-	709
Total Assets	\$ 128,968	\$ 3,547,692	\$ 1,204,445	\$ 12,063,493	\$ 410,732	\$ 3,033,225	\$ 22,300,794	\$ 42,689,349
Liabilities								
Accounts Payable and Accrued	\$ -	\$ 320,891	\$ 749	\$ -	\$ -	\$ 783	\$ -	\$ 322,423
Liabilities								
Securities Lending Payable	-	89,930	73,889	348,120	10,196	3,933	642,266	1,168,334
Due to Broker	-	-	25,619	563,248	19,767	2,794	800,178	1,411,606
Due to Component Units	-	-	-	-	-	-	13	13
Due to Other Funds	-	4	2	20	-	4	25	55
Benefits in the Process of Payment	-	-	2,142	-	-	2,278	28	4,448
Other Liabilities	-	185	91	-	-	124	4,649	5,049
Total Liabilities	\$ -	\$ 411,010	\$ 102,492	\$ 911,388	\$ 29,963	\$ 9,916	\$ 1,447,159	\$ 2,911,928
Net Position Restricted for Employees' Pension Benefits	\$ 128,968	\$ 3,136,682	\$ 1,101,953	\$ 11,152,105	\$ 380,769	\$ 3,023,309	\$ 20,853,635	\$ 39,777,421

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, 2023
(expressed in thousands)

	Primary	Fiduciary Component Units						Total
	Government	Oklahoma	Oklahoma	Oklahoma	Uniform	Oklahoma		
	Wildlife	Oklahoma	Oklahoma	Oklahoma	Uniform	Oklahoma	Teachers'	
	Conservation	Firefighters	Law	Public	Retirement	Police	Retirement	
	Retirement	Pension and	Enforcement	Employees	System for	Pension and	System of	
	Plan	Retirement	Retirement	Retirement	Justices and	Retirement	Oklahoma	
		System	System	System	Judges	System		
Additions								
Contributions								
Employer Contributions	\$ 2,250	\$ 53,366	\$ 13,261	\$ 312,993	\$ 8,466	\$ 49,095	\$ 512,973	\$ 952,404
Employee Contributions	522	33,966	8,814	68,660	3,081	30,799	371,519	517,361
Other Contributions	-	114,291	26,935	-	-	44,456	513,732	699,414
Total Contributions	\$ 2,772	\$ 201,623	\$ 49,010	\$ 381,653	\$ 11,547	\$ 124,350	\$ 1,398,224	\$ 2,169,179
Investment Income								
Net Appreciation in Fair Value of Investments	\$ 13,306	\$ 279,214	\$ 55,554	\$ 943,118	\$ 33,295	\$ 103,595	\$ 1,009,746	\$ 2,437,828
Interest and Investment Revenue	2,700	26,997	20,588	189,170	4,141	25,345	514,641	783,582
	\$ 16,006	\$ 306,211	\$ 76,142	\$ 1,132,288	\$ 37,436	\$ 128,940	\$ 1,524,387	\$ 3,221,410
Less Investment Expenses	209	22,637	8,626	29,525	711	19,878	47,148	128,734
Net Investment Income								
Total Additions	\$ 18,569	\$ 485,197	\$ 116,526	\$ 1,484,416	\$ 48,272	\$ 233,412	\$ 2,875,463	\$ 5,261,855
Deductions								
Administrative and General Expenses	\$ 36	\$ 2,380	\$ 1,731	\$ 6,666	\$ 220	\$ 2,153	\$ 6,819	\$ 20,005
Benefit Payments and Refunds	9,008	323,981	89,776	718,553	24,846	216,917	1,684,417	3,067,498
Total Deductions	\$ 9,044	\$ 326,361	\$ 91,507	\$ 725,219	\$ 25,066	\$ 219,070	\$ 1,691,236	\$ 3,087,503
Net Increase	\$ 9,525	\$ 158,836	\$ 25,019	\$ 759,197	\$ 23,206	\$ 14,342	\$ 1,184,227	\$ 2,174,352
Net Position Restricted for Employees' Pension Benefits								
Beginning of Year	119,443	2,977,846	1,076,934	10,392,908	357,563	3,008,967	19,669,408	37,603,069
End of Year	\$ 128,968	\$ 3,136,682	\$ 1,101,953	\$ 11,152,105	\$ 380,769	\$ 3,023,309	\$ 20,853,635	\$ 39,777,421

State of Oklahoma
Combining Statement of Assets and Liabilities
Custodial Funds
June 30, 2023
(expressed in thousands)

	Taxes Held for Outside Entity	Assets Held in Escrow	Assets Held for Beneficiaries	Other	Total
Assets					
Assets					
Cash/Cash Equivalents	\$ 308,346	\$ 89,484	\$ 18,944	\$ 61,501	\$ 478,275
Accounts Receivable	5,161	5	90	-	5,256
Taxes Receivable	184,121	-	-	-	184,121
Inventory	-	-	-	11,598	11,598
Total Assets	<u>\$ 497,628</u>	<u>\$ 89,489</u>	<u>\$ 19,034</u>	<u>\$ 73,099</u>	<u>\$ 679,250</u>
Liabilities					
Accounts Payable	\$ 1	\$ 1	\$ 971	\$ 1	\$ 974
Tax Refunds Payable	4,209	-	-	-	4,209
Deferred Revenue	11,651	5	-	-	11,656
Due to Others	481,767	89,483	18,063	73,098	662,411
Total Liabilities	<u>\$ 497,628</u>	<u>\$ 89,489</u>	<u>\$ 19,034</u>	<u>\$ 73,099</u>	<u>\$ 679,250</u>

State of Oklahoma
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds

For the fiscal year ending June 30, 2023
(expressed in thousands)

	Taxes Held for Outside Entity	Assets Held in Escrow	Assets Held for Beneficiaries	Other	Total
Additions					
Investment Income					
Interest and Investment Revenue	\$ 2,546	\$ 19,478	\$ 398	\$ 158	\$ 22,580
Less Investment Expenses	-	19,478	-	-	19,478
Net Investment Earnings	<u>\$ 2,546</u>	<u>\$ -</u>	<u>\$ 398</u>	<u>\$ 158</u>	<u>\$ 3,102</u>
Taxes Collected for Other Governments					
	\$ 3,967,841	\$ -	\$ -	\$ -	\$ 3,967,841
Collections for Beneficiaries	-	-	395,808	-	395,808
Federal Grants	30	-	-	-	30
Other Collections	25,612	-	(1,545)	16,046	40,113
Total Other Additions	<u>\$ 3,993,483</u>	<u>\$ -</u>	<u>\$ 394,263</u>	<u>\$ 16,046</u>	<u>\$ 4,403,792</u>
Deductions					
Benefit Payments and Refunds	\$ -	\$ -	\$ 394,661	\$ -	\$ 394,661
Taxes Disbursed to Other Governments	3,996,029	-	-	-	3,996,029
Other Expenditures	-	-	-	16,204	16,204
Total Deductions	<u>\$ 3,996,029</u>	<u>\$ -</u>	<u>\$ 394,661</u>	<u>\$ 16,204</u>	<u>\$ 4,406,894</u>

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 13th 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. 17th 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, 2023
(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
Assets								
Current Assets								
Cash/Cash Equivalents - Unrestricted	\$ 4,543	\$ 13,397	\$ 20,974	\$ 157,731	\$ 7,226	\$ 1,478	\$ 12,851	\$ 218,200
Investments	43,457	-	-	19,448	2,950	7,825	96,488	170,168
Accounts Receivable	661	-	-	24,027	490	-	16,513	41,691
Interest and Investment Revenue Receivable	-	199	-	(73)	25	-	-	151
Notes Receivable	-	581	-	-	29	-	-	610
Other Receivables	13	3	-	-	6	-	1,673	1,695
Due from Other Component Units	-	-	-	365	215	-	-	580
Due from Primary Government	-	-	12,113	3,718	15	-	-	15,846
Prepaid Items	177	-	-	1	-	-	1,817	1,995
Other Current Assets	-	-	-	-	-	-	4,410	4,410
Total Current Assets	\$ 48,851	\$ 14,180	\$ 33,087	\$ 205,217	\$ 10,956	\$ 9,303	\$ 133,752	\$ 455,346
Noncurrent Assets								
Cash/Cash Equivalents - Restricted	\$ -	\$ -	\$ -	\$ 188	\$ -	\$ -	\$ -	\$ 188
Long-Term Investments - Unrestricted	-	18,867	-	-	2,127	-	-	20,994
Long-Term Notes Receivable, Net	-	7,269	-	-	-	-	-	7,269
Net Other Postemployment Benefit Asset	101	-	-	-	-	-	-	101
Capital Assets								
Depreciable, Net	8,307	-	20	251,670	1,045	-	52,371	313,413
Land	586	-	-	16,338	286	-	-	17,210
Construction in Progress	75	-	-	9,635	-	-	14,100	23,810
Other Noncurrent Assets								
Unrestricted	-	-	-	63,662	11	-	305	63,978
Restricted	-	-	-	36	-	-	-	36
Total Noncurrent Assets	\$ 9,069	\$ 26,136	\$ 20	\$ 341,529	\$ 3,469	\$ -	\$ 66,776	\$ 446,999
Total Assets	\$ 57,920	\$ 40,316	\$ 33,107	\$ 546,746	\$ 14,425	\$ 9,303	\$ 200,528	\$ 902,345
Deferred Outflows								
Deferred Outflows from Pensions	1,231	285	-	1,451	-	-	-	2,967
Total Deferred Outflows	\$ 1,231	\$ 285	\$ -	\$ 1,451	\$ -	\$ -	\$ -	\$ 2,967
Liabilities								
Current Liabilities								
Accounts Payable and Accrued Liabilities	\$ 274	\$ 1	\$ 47	\$ 7,523	\$ -	\$ 1	\$ 18,287	\$ 26,133
Unearned Revenue	85	-	-	48,001	-	-	-	48,086
Claims and Judgements	-	-	55,499	-	-	-	-	55,499
Interest Payable	-	263	-	-	-	-	6	269
Compensated Absences	103	71	84	270	-	-	-	528
Due to Other Component Units	-	-	-	346	-	-	-	346
Due to Primary Government	6	3	18	-	1	-	-	28
Right to Use Leases	191	-	-	-	11	-	849	1,051
Other Current Liabilities	-	5,807	-	-	-	-	5,412	11,219
Total Current Liabilities	\$ 659	\$ 6,145	\$ 55,648	\$ 56,140	\$ 12	\$ 1	\$ 24,554	\$ 143,159
Noncurrent Liabilities								
Claims and Judgements	\$ -	\$ -	\$ 366,272	\$ -	\$ -	\$ -	\$ -	\$ 366,272
Right to Use Leases	1,964	-	-	-	-	-	1,875	3,839
Compensated Absences	197	-	-	-	-	-	-	197
Net Pension Liability	904	207	-	1,144	-	-	-	2,255
General Obligation Bonds	-	30,000	-	-	-	-	-	30,000
Revenue Bonds	-	-	-	-	3,000	-	-	3,000
Net Other Postemployment Benefit Liability	160	-	-	-	-	-	-	160
Other Noncurrent Liabilities	-	-	-	-	10	-	-	10
Total Noncurrent Liabilities	\$ 3,225	\$ 30,207	\$ 366,272	\$ 1,144	\$ 3,010	\$ -	\$ 1,875	\$ 405,733
Total Liabilities	\$ 3,884	\$ 36,352	\$ 421,920	\$ 57,284	\$ 3,022	\$ 1	\$ 26,429	\$ 548,892
Deferred Inflows of Resources								
Deferred Inflows from Pensions	\$ 116	\$ 9	\$ -	\$ 52	\$ -	\$ -	\$ -	\$ 177
Refinancing of Debt	-	-	-	-	6	-	-	6
Total Deferred Inflows	\$ 116	\$ 9	\$ -	\$ 52	\$ 6	\$ -	\$ -	\$ 183
Net Position								
Net Investment in Capital Assets	\$ 6,830	\$ -	\$ -	\$ 277,643	\$ 1,331	\$ -	\$ 63,352	\$ 349,156
Restricted for:								
Other Special Purpose Expendable	2,544	-	-	224	-	-	30,400	33,168
Unrestricted	45,777	4,240	(388,813)	212,994	10,066	9,302	80,347	(26,087)
Total Net Position	\$ 55,151	\$ 4,240	\$ (388,813)	\$ 490,861	\$ 11,397	\$ 9,302	\$ 174,099	\$ 356,237

State of Oklahoma
Combining Statement of Activities
Nonmajor Component Units
For the Fiscal Year Ended June 30, 2023
(expressed in thousands)

	Expenses	Program Revenues			General Revenue		Net Position Beginning of Year	Net Position End of Year
		Charges for Services	Operating Grants and Contributions	Net (Expense) Revenue	Payments from Primary Government	Change in Net Position		
Nonmajor Component Units:								
Oklahoma Educational Television Authority	\$ 11,446	\$ 15,851	\$ -	\$ 4,405	\$ -	\$ 4,405	\$ 50,746	\$ 55,151
Oklahoma Industrial Finance Authority	1,338	1,443	-	105	-	105	4,135	4,240
Multiple Injury Trust Fund	20,952	198	-	(20,754)	68,958	48,204	(437,017)	(388,813)
University Hospitals Authority	536,146	448,224	-	(87,922)	123,566	35,644	455,217	490,861
Oklahoma Development Finance Authority	1,154	2,315	-	1,161	-	1,161	10,236	11,397
Oklahoma Capital Investment Board	175	224	-	49	-	49	9,253	9,302
OSU Medical Authority	245,287	184,196	79,059	17,968	-	17,968	156,131	174,099
Total Nonmajor Component Units	\$ 816,498	\$ 652,451	\$ 79,059	\$ (84,988)	\$ 192,524	\$ 107,536	\$ 248,701	\$ 356,237



When the Wildlife Department surveys fish communities, we can compare today's results to "baseline" results collected in previous decades. One of the many historic databases we can lean on to assess the health of Oklahoma's fish populations was collected in the 1970s, 1980s and 1990s by high school science teacher turned Oklahoma Department of Environmental Quality ichthyologist Jimmie Pigg.





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)

	2014	2015	2016	2017	2018
Governmental activities					
Net investment in capital assets	\$ 9,992,791	\$ 10,425,644	\$ 10,865,784	\$ 11,031,695	\$ 11,318,869
Restricted	4,698,509	4,930,516	4,140,040	4,392,708	4,554,212
Unrestricted	2,029,441	1,696,768	1,397,498	1,484,206	1,853,248
Total governmental activities net position	<u>\$ 16,720,741</u>	<u>\$ 17,052,928</u>	<u>\$ 16,403,322</u>	<u>\$ 16,908,609</u>	<u>\$ 17,726,329</u>
Business-type activities					
Net investment in capital assets	\$ 1,415	\$ 1,914	\$ 2,856	\$ 2,477	\$ 2,085
Restricted	1,573,491	1,601,651	1,468,588	1,423,476	1,471,069
Unrestricted	636,300	582,633	528,198	532,518	575,621
Total business-type activities net position	<u>\$ 2,211,206</u>	<u>\$ 2,186,198</u>	<u>\$ 1,999,642</u>	<u>\$ 1,958,471</u>	<u>\$ 2,048,775</u>
Primary government					
Net investment in capital assets	\$ 9,994,206	\$ 10,427,558	\$ 10,868,640	\$ 11,034,172	\$ 11,320,954
Restricted	6,272,000	6,532,167	5,608,628	5,816,184	6,025,281
Unrestricted	2,665,741	2,279,401	1,925,696	2,016,724	2,428,869
Total primary government net position	<u>\$ 18,931,947</u>	<u>\$ 19,239,126</u>	<u>\$ 18,402,964</u>	<u>\$ 18,867,080</u>	<u>\$ 19,775,104</u>

State of Oklahoma
 Fund Balances - Governmental Funds
 Last Ten Fiscal Years
 (Modified accrual basis of accounting)
 (expressed in thousands)

	2014	2015	2016	2017	2018
General Fund					
Nonspendable	\$ 74,278	\$ 76,851	\$ 80,281	\$ 78,555	\$ 77,093
Restricted	1,340,771	1,572,465	815,862	790,129	1,145,684
Committed	2,632,260	2,634,649	2,445,893	2,245,651	2,274,589
Assigned	1,777	1,045	609	542	-
Unassigned	133,796	96,297	25,866	23,338	112,912
Total General Fund	<u>\$ 4,182,882</u>	<u>\$ 4,381,307</u>	<u>\$ 3,368,511</u>	<u>\$ 3,138,215</u>	<u>\$ 3,610,278</u>
All Other Governmental Funds					
Nonspendable	\$ 3,226,796	\$ 3,228,359	\$ 3,212,407	\$ 3,508,054	\$ 3,625,586
Restricted	7,417	1,265	5,081	-	-
Committed	53,430	48,967	29,394	41,833	65,263
Assigned	70,096	79,460	77,296	52,692	41,789
Unassigned	-	-	-	-	-
Total All Other Governmental Funds	<u>\$ 3,357,739</u>	<u>\$ 3,358,051</u>	<u>\$ 3,324,178</u>	<u>\$ 3,602,579</u>	<u>\$ 3,732,638</u>
Total All Governmental Fund Balances	<u>\$ 7,540,621</u>	<u>\$ 7,739,358</u>	<u>\$ 6,692,689</u>	<u>\$ 6,740,794</u>	<u>\$ 7,342,916</u>

	2019	2020	2021	2022	2023
Governmental activities					
Net investment in capital assets	\$ 11,401,782	\$ 11,790,323	\$ 12,117,533	\$ 12,301,625	\$ 13,114,537
Restricted	5,238,284	4,595,067	5,780,723	6,170,812	7,311,499
Unrestricted	3,368,454	4,206,145	5,094,089	8,051,406	9,928,507
Total governmental activities net position	\$ 20,008,520	\$ 20,591,535	\$ 22,992,345	\$ 26,523,843	\$ 30,354,543
Business-type activities					
Net investment in capital assets	\$ 1,543	\$ 1,118	\$ 709	\$ 2,334	\$ 3,330
Restricted	1,554,235	1,618,334	930,162	1,086,882	1,211,243
Unrestricted	613,370	669,724	775,258	749,019	686,795
Total business-type activities net position	\$ 2,169,148	\$ 2,289,176	\$ 1,706,129	\$ 1,838,235	\$ 1,901,368
Primary government					
Net investment in capital assets	\$ 11,403,325	\$ 11,791,441	\$ 12,118,242	\$ 12,303,959	\$ 13,117,867
Restricted	6,792,519	6,213,401	6,710,885	7,257,694	8,522,742
Unrestricted	3,981,824	4,875,869	5,869,347	8,800,425	10,615,302
Total primary government net position	\$ 22,177,668	\$ 22,880,711	\$ 24,698,474	\$ 28,362,078	\$ 32,255,911

	2019	2020	2021	2022	2023
General Fund					
Nonspendable	\$ 106,736	\$ 119,268	\$ 88,921	\$ 90,058	\$ 90,399
Restricted	1,331,237	776,452	1,135,999	1,632,847	2,802,709
Committed	3,735,918	4,562,479	5,631,396	8,427,748	9,870,301
Assigned	-	-	-	-	-
Unassigned	201,560	14,668	92,662	262,790	318,513
Total General Fund	\$ 5,375,451	\$ 5,472,867	\$ 6,948,978	\$ 10,413,443	\$ 13,081,922
All Other Governmental Funds					
Nonspendable	\$ 3,785,281	\$ 3,697,597	\$ 3,977,413	\$ 3,990,478	\$ 4,154,214
Restricted	-	-	-	-	-
Committed	60,210	41,490	577,118	113,054	144,786
Assigned	61,556	79,528	78,460	155,318	209,790
Unassigned	-	-	-	-	-
Total All Other Governmental Funds	\$ 3,907,047	\$ 3,818,615	\$ 4,632,991	\$ 4,258,850	\$ 4,508,790
Total All Governmental Fund Balances	\$ 9,282,498	\$ 9,291,482	\$ 11,581,969	\$ 14,672,293	\$ 17,590,712

State of Oklahoma
Changes in Net Position by Component
 Last Ten Fiscal Years
 (expressed in thousands)

	2014	2015	2016	2017	2018
Expenses					
Governmental Activities:					
Education-General	\$ 3,322,341	\$ 3,424,751	\$ 3,435,184	\$ 3,361,645	\$ 3,507,277
Education-Payment to Higher Education	1,037,785	1,030,060	942,707	889,389	761,036
Government Administration	1,830,570	1,114,539	2,114,501	1,870,606	2,111,959
Health Services	5,766,102	5,660,101	5,710,985	5,613,009	5,603,631
Legal and Judiciary	261,344	205,622	262,081	267,320	252,845
Museums	17,691	18,189	12,502	11,316	11,281
Natural Resources	264,233	288,333	290,366	318,494	281,187
Public Safety and Defense	863,080	787,751	859,395	895,929	885,841
Regulatory Services	131,756	153,511	193,245	97,804	115,590
Social Services	2,240,638	2,187,576	2,356,625	2,199,151	2,137,520
Transportation	1,043,522	1,086,603	1,109,349	1,128,688	1,148,291
Interest on Long-Term Debt	71,270	58,330	78,130	76,321	56,493
Governmental Activities	\$ 16,850,332	\$ 16,015,366	\$ 17,365,070	\$ 16,729,672	\$ 16,872,951
Business-Type Activities:					
Employment Security Commission	\$ 289,959	\$ 281,058	\$ 395,192	\$ 320,111	\$ 250,465
Water Resources Board	35,286	32,641	34,673	34,932	37,489
Office of Management and Enterprise Services	925,327	1,023,920	1,051,966	1,031,753	1,051,302
Lottery Commission	123,180	112,624	121,139	97,619	161,388
Business-Type Activities	\$ 1,373,752	\$ 1,450,243	\$ 1,602,970	\$ 1,484,415	\$ 1,500,644
Total Primary Government Expenses	\$ 18,224,084	\$ 17,465,609	\$ 18,968,040	\$ 18,214,087	\$ 18,373,595
Program Revenues					
Governmental Activities:					
Charges for Services:					
Government Administration	\$ 189,753	\$ 558,328	\$ 330,500	\$ 447,826	\$ 350,687
Health Services	557,041	544,828	625,906	633,940	579,414
Social Services	61,925	11,962	36,311	9,984	72,277
All Others	627,565	628,232	659,458	698,598	766,977
Total Charges for Services	\$ 1,436,284	\$ 1,743,350	\$ 1,652,175	\$ 1,790,348	\$ 1,769,355
Operating Grants and Contributions	7,326,805	6,744,975	6,785,553	7,131,617	6,681,680
Total Governmental Activities	\$ 8,763,089	\$ 8,488,325	\$ 8,437,728	\$ 8,921,965	\$ 8,451,035
Business-Type Activities:					
Charges for Services:					
Employment Security Commission	\$ 475,453	\$ 305,538	\$ 254,001	\$ 278,815	\$ 285,454
Water Resources Board	55,315	53,329	61,237	42,455	47,802
Office of Management and Enterprise Services	941,890	964,432	984,734	1,026,482	1,083,430
Lottery Commission	191,564	171,989	190,074	151,917	221,643
Total Charges for Services	\$ 1,664,222	\$ 1,495,288	\$ 1,490,046	\$ 1,499,669	\$ 1,638,329
Operating Grants and Contributions	37,901	10,935	8,302	9,031	15,620
Total Business-Type Activities	\$ 1,702,123	\$ 1,506,223	\$ 1,498,348	\$ 1,508,700	\$ 1,653,949
Total Primary Government Revenue	\$ 10,465,028	\$ 9,997,863	\$ 9,936,752	\$ 10,430,665	\$ 10,104,984
Net (Expense) Revenue:					
Governmental Activities	\$ (8,087,243)	\$ (7,527,041)	\$ (8,927,342)	\$ (7,807,707)	\$ (8,421,916)
Business-Type Activities	328,371	55,980	(104,622)	24,285	153,305
Total Primary Government	\$ (7,758,872)	\$ (7,471,061)	\$ (9,031,964)	\$ (7,783,422)	\$ (8,268,611)
General Revenues					
Governmental Activities:					
Taxes	\$ 8,691,182	\$ 8,612,118	\$ 8,232,688	\$ 8,131,948	\$ 9,231,672
Investment Earnings	59,298	60,007	60,792	53,157	58,075
Contributions to Permanent Funds	60,516	59,287	58,810	59,460	54,765
Special Item	-	(451)	-	-	-
Transfers	81,020	76,211	78,979	65,456	63,001
Total Governmental Activities	\$ 8,892,016	\$ 8,807,172	\$ 8,431,269	\$ 8,310,021	\$ 9,407,513
Business-Type Activities:					
Transfers	\$ (81,020)	\$ (76,211)	\$ (78,979)	\$ (65,456)	\$ (63,001)
Total Business-Type Activities	\$ (81,020)	\$ (76,211)	\$ (78,979)	\$ (65,456)	\$ (63,001)
Total General Revenues and Transfers	\$ 8,810,996	\$ 8,730,961	\$ 8,352,290	\$ 8,244,565	\$ 9,344,512
Change in Net Position (Governmental)	\$ 804,773	\$ 1,280,131	\$ (496,073)	\$ 502,314	\$ 985,597
Change in Net Position (Business-Type)	247,351	(20,231)	(183,601)	(41,171)	90,304
Net Position - Beginning of Year (as restated)	17,879,823	17,979,226	19,082,638	18,405,937	18,699,203
Net Position - End of Year	\$ 18,931,947	\$ 19,239,126	\$ 18,402,964	\$ 18,867,080	\$ 19,775,104

	2019	2020	2021	2022	2023
Expenses					
Governmental Activities:					
Education-General	\$ 4,009,839	\$ 4,368,484	\$ 4,469,781	\$ 5,326,122	\$ 5,115,681
Education-Payment to Higher Education	790,651	811,713	788,514	719,059	887,775
Government Administration	2,193,051	2,256,074	3,346,530	3,066,033	3,002,248
Health Services	5,965,780	6,246,163	6,815,817	8,505,243	10,220,499
Legal and Judiciary	254,928	281,942	279,033	279,600	273,555
Museums	12,914	14,492	14,757	14,773	19,224
Natural Resources	457,332	327,926	534,998	494,801	684,680
Public Safety and Defense	885,374	963,910	993,098	1,014,118	1,042,289
Regulatory Services	152,337	153,295	290,286	276,209	305,862
Social Services	2,180,094	2,451,123	3,275,560	3,940,643	4,450,381
Transportation	1,096,785	1,209,426	1,231,624	1,214,083	1,330,596
Interest on Long-Term Debt	58,197	61,262	60,531	63,984	66,350
Governmental Activities	<u>\$ 18,057,282</u>	<u>\$ 19,145,810</u>	<u>\$ 22,100,529</u>	<u>\$ 24,914,668</u>	<u>\$ 27,399,140</u>
Business-Type Activities:					
Employment Security Commission	\$ 225,242	\$ 2,323,744	\$ 4,048,298	\$ 446,339	\$ 345,423
Water Resources Board	41,106	46,636	40,730	45,838	54,020
Office of Management and Enterprise Services	1,089,343	1,073,135	1,043,144	1,144,627	1,155,852
Lottery Commission	174,641	204,300	268,492	271,734	286,885
Business-Type Activities	<u>\$ 1,530,332</u>	<u>\$ 3,647,815</u>	<u>\$ 5,400,664</u>	<u>\$ 1,908,538</u>	<u>\$ 1,842,180</u>
Total Primary Government Expenses	<u>\$ 19,587,614</u>	<u>\$ 22,793,625</u>	<u>\$ 27,501,193</u>	<u>\$ 26,823,206</u>	<u>\$ 29,241,320</u>
Program Revenues					
Governmental Activities:					
Charges for Services:					
Government Administration	\$ 442,407	\$ 328,246	\$ 441,143	\$ 491,124	\$ 807,297
Health Services	666,742	604,394	606,022	569,945	859,881
Social Services	35,236	62,066	27,614	35,363	74,926
All Others	951,162	850,446	889,256	822,042	1,200,138
Total Charges for Services	<u>\$ 2,095,547</u>	<u>\$ 1,845,152</u>	<u>\$ 1,964,035</u>	<u>\$ 1,918,474</u>	<u>\$ 2,942,242</u>
Operating Grants and Contributions	7,152,628	7,806,615	11,545,489	12,910,191	14,499,967
Total Governmental Activities	<u>\$ 9,248,175</u>	<u>\$ 9,651,767</u>	<u>\$ 13,509,524</u>	<u>\$ 14,828,665</u>	<u>\$ 17,442,209</u>
Business-Type Activities:					
Charges for Services:					
Employment Security Commission	\$ 285,617	\$ 266,405	\$ 497,588	\$ 378,769	\$ 378,475
Water Resources Board	74,888	67,240	59,746	65,223	113,204
Office of Management and Enterprise Services	1,099,660	1,128,164	1,133,241	1,105,811	1,056,202
Lottery Commission	242,592	268,482	347,500	351,063	381,153
Total Charges for Services	<u>\$ 1,702,757</u>	<u>\$ 1,730,291</u>	<u>\$ 2,038,075</u>	<u>\$ 1,900,866</u>	<u>\$ 1,929,034</u>
Operating Grants and Contributions	16,137	2,102,239	2,857,814	219,274	63,656
Total Business-Type Activities	<u>\$ 1,718,894</u>	<u>\$ 3,832,530</u>	<u>\$ 4,895,889</u>	<u>\$ 2,120,140</u>	<u>\$ 1,992,690</u>
Total Primary Government Revenue	<u>\$ 10,967,069</u>	<u>\$ 13,484,297</u>	<u>\$ 18,405,413</u>	<u>\$ 16,948,805</u>	<u>\$ 19,434,899</u>
Net (Expense) Revenue:					
Governmental Activities	\$ (8,809,107)	\$ (9,494,043)	\$ (8,591,005)	\$ (10,086,003)	\$ (9,956,931)
Business-Type Activities	188,562	184,715	(504,775)	211,602	150,510
Total Primary Government	<u>\$ (8,620,545)</u>	<u>\$ (9,309,328)</u>	<u>\$ (9,095,780)</u>	<u>\$ (9,874,401)</u>	<u>\$ (9,806,421)</u>
General Revenues					
Governmental Activities:					
Taxes	\$ 10,550,834	\$ 9,856,879	\$ 10,800,147	\$ 13,400,810	\$ 13,396,459
Investment Earnings	97,978	114,855	53,838	78,703	247,852
Contributions to Permanent Funds	54,269	54,564	61,349	61,212	56,600
Special Item	-	-	-	-	-
Transfers	67,556	64,687	78,272	79,496	87,377
Total Governmental Activities	<u>\$ 10,770,637</u>	<u>\$ 10,090,985</u>	<u>\$ 10,993,606</u>	<u>\$ 13,620,221</u>	<u>\$ 13,788,288</u>
Business-Type Activities:					
Transfers	<u>\$ (67,556)</u>	<u>\$ (64,687)</u>	<u>\$ (78,272)</u>	<u>\$ (79,496)</u>	<u>\$ (87,377)</u>
Total Business-Type Activities	<u>\$ (67,556)</u>	<u>\$ (64,687)</u>	<u>\$ (78,272)</u>	<u>\$ (79,496)</u>	<u>\$ (87,377)</u>
Total General Revenues and Transfers	<u>\$ 10,703,081</u>	<u>\$ 10,026,298</u>	<u>\$ 10,915,334</u>	<u>\$ 13,540,725</u>	<u>\$ 13,700,911</u>
Change in Net Position (Governmental)	\$ 1,961,530	\$ 596,942	\$ 2,402,601	\$ 3,534,218	\$ 3,831,357
Change in Net Position (Business-Type)	121,006	120,028	(583,047)	132,106	63,133
Net Position - Beginning of Year (as restated)	20,095,132	22,163,741	22,878,920	24,695,754	28,361,421
Net Position - End of Year	<u>\$ 22,177,668</u>	<u>\$ 22,880,711</u>	<u>\$ 24,698,474</u>	<u>\$ 28,362,078</u>	<u>\$ 32,255,911</u>

State of Oklahoma

Changes in Fund Balances - Governmental Funds

Last Ten Fiscal Years

(Modified accrual basis of accounting)

(expressed in thousands)

	2014	2015	2016	2017	2018
Revenues					
Taxes:					
Income Taxes-Individual	\$ 2,893,520	\$ 2,965,231	\$ 2,944,246	\$ 2,948,868	\$ 3,240,777
Income Taxes-Corporate	396,087	373,518	333,838	169,639	251,163
Sales Tax	2,599,078	2,553,978	2,481,242	2,460,238	2,823,427
Gross Production Taxes	666,825	543,656	326,608	412,898	596,196
Motor Vehicle Taxes	788,668	772,697	761,052	757,223	868,042
Fuel Taxes	420,105	424,048	432,607	432,780	441,978
Tobacco Taxes	248,623	252,978	257,813	254,935	261,234
Insurance Taxes	167,489	183,722	181,133	164,008	181,614
Beverage Taxes	109,390	112,718	116,246	118,449	122,541
Other Taxes	401,397	429,572	397,902	412,914	444,700
Licenses, Permits and Fees	672,008	695,364	682,750	711,014	780,649
Interest and Investment Revenue	692,697	318,679	254,610	655,229	435,657
Federal Grants	6,746,151	6,652,689	6,667,592	6,695,846	6,440,084
Sales and Services	200,086	180,315	212,169	222,086	217,647
Other	508,809	810,615	729,640	759,334	700,142
Total Revenues	\$ 17,510,933	\$ 17,269,780	\$ 16,779,448	\$ 17,175,461	\$ 17,805,851
Expenditures					
Education	\$ 4,359,511	\$ 4,459,227	\$ 4,373,024	\$ 4,247,212	\$ 4,262,822
Government Administration	2,204,090	1,522,733	1,699,571	1,935,755	1,981,752
Health Services	5,745,842	5,636,440	5,704,161	5,614,255	5,595,980
Legal and Judiciary	250,376	248,668	251,114	254,551	255,739
Museums	14,532	9,698	9,074	7,444	7,650
Natural Resources	246,556	273,081	281,530	295,638	252,484
Public Safety and Defense	798,173	786,197	826,716	837,157	838,098
Regulatory Services	128,460	150,864	191,627	95,621	114,355
Social Services	2,214,898	2,177,124	2,347,661	2,192,547	2,145,461
Transportation	225,768	203,021	237,427	203,290	215,428
Capital Outlay	894,684	1,451,605	1,764,073	1,575,479	1,506,734
Debt Service					
Principal Retirement	361,488	408,643	191,272	179,384	140,272
Interest and fiscal Charges	71,269	60,833	76,228	72,994	59,145
Total Expenditures	\$ 17,515,647	\$ 17,388,134	\$ 17,953,478	\$ 17,511,327	\$ 17,375,920
Revenues in Excess of (Less Than) Expenditures	\$ (4,714)	\$ (118,354)	\$ (1,174,030)	\$ (335,866)	\$ 429,931
Other Financing Sources (Uses)					
Transfers In	81,020	83,587	85,002	81,634	78,997
Transfers Out	-	(7,376)	(6,023)	(16,178)	(15,996)
Bonds Issued	235,505	189,250	39,535	265,665	27,215
Notes Issued	-	-	-	-	61,505
Refunding Bonds Issued	-	-	-	-	-
Bond Issue Premiums	25,679	18,398	5,276	39,067	10,023
Bond Issue Discounts	-	-	-	-	-
Capital Leases and Certificates of Participation	322	365	-	440	-
Sale of Capital Assets	10,798	87,267	14,451	13,343	10,447
Total Other Financing Sources (Uses)	\$ 353,324	\$ 371,491	\$ 138,241	\$ 383,971	\$ 172,191
Net Changes in Fund Balances	\$ 348,610	\$ 253,137	\$ (1,035,789)	\$ 48,105	\$ 602,122
Fund Balances - Beginning of Year (as restated)	7,192,011	7,486,221	7,728,478	6,692,689	6,740,794
Fund Balances - End of Year	<u>\$ 7,540,621</u>	<u>\$ 7,739,358</u>	<u>\$ 6,692,689</u>	<u>\$ 6,740,794</u>	<u>\$ 7,342,916</u>
Debt Service as a Percentage of Noncapital Expenditures	2.6%	2.9%	1.7%	1.6%	1.3%

	2019	2020	2021	2022	2023
Revenues					
Taxes:					
Income Taxes-Individual	\$ 3,469,633	\$ 3,369,765	\$ 3,573,364	\$ 4,235,500	\$ 4,152,409
Income Taxes-Corporate	312,862	221,699	456,186	902,865	740,097
Sales Tax	3,076,488	2,977,345	3,158,947	3,550,107	3,751,893
Gross Production Taxes	1,037,656	620,205	864,090	1,736,288	1,539,531
Motor Vehicle Taxes	887,074	935,103	889,607	968,429	957,647
Fuel Taxes	539,150	492,155	504,101	569,442	572,343
Tobacco Taxes	360,886	402,268	460,757	460,625	436,511
Insurance Taxes	176,198	172,060	177,539	188,471	409,553
Beverage Taxes	139,737	137,382	150,000	169,935	177,729
Other Taxes	453,214	445,347	549,083	611,065	604,642
Licenses, Permits and Fees	808,705	822,181	855,592	982,070	1,057,605
Interest and Investment Revenue	496,851	221,631	1,097,293	(75,921)	728,912
Federal Grants	6,811,030	7,695,068	10,586,296	13,282,831	14,988,395
Sales and Services	236,892	242,319	269,563	223,266	260,923
Other	977,713	756,848	784,900	669,242	645,115
Total Revenues	\$ 19,784,089	\$ 19,511,376	\$ 24,377,318	\$ 28,474,215	\$ 31,023,305
Expenditures					
Education	\$ 4,799,146	\$ 5,173,956	\$ 5,236,883	\$ 6,047,921	\$ 5,996,146
Government Administration	2,043,121	2,158,980	2,945,409	3,190,425	3,161,133
Health Services	5,954,945	6,190,644	6,788,138	8,477,738	10,213,534
Legal and Judiciary	263,275	270,298	273,784	295,814	265,408
Museums	12,553	12,997	13,199	13,775	17,636
Natural Resources	449,324	298,966	498,354	463,591	659,816
Public Safety and Defense	833,423	901,917	908,312	970,175	998,353
Regulatory Services	150,625	147,474	286,465	277,123	301,531
Social Services	2,179,379	2,454,286	3,281,031	3,941,632	4,445,814
Transportation	233,357	247,456	231,180	417,180	504,706
Capital Outlay	1,400,527	1,620,009	1,814,851	1,489,377	1,528,115
Debt Service					
Principal Retirement	157,460	215,446	122,507	141,899	185,451
Interest and fiscal Charges	53,036	61,517	58,380	64,270	67,731
Total Expenditures	\$ 18,530,171	\$ 19,753,946	\$ 22,458,493	\$ 25,790,920	\$ 28,345,374
Revenues in Excess of (Less Than) Expenditures	\$ 1,253,918	\$ (242,570)	\$ 1,918,825	\$ 2,683,295	\$ 2,677,931
Other Financing Sources (Uses)					
Transfers In	90,891	98,455	96,401	93,457	107,723
Transfers Out	(23,335)	(33,768)	(18,129)	(13,961)	(19,995)
Bonds Issued	268,105	167,425	231,930	263,360	-
Notes Issued	-	-	-	56,802	44,649
Refunding Bonds Issued	-	-	22,135	-	-
Bond Issue Premiums	23,381	27,651	33,499	-	-
Bond Issue Discounts	-	-	-	-	-
Capital Leases and Certificates of Participation	-	-	-	10,702	96,804
Sale of Capital Assets	23,870	10,324	5,826	19,330	11,307
Total Other Financing Sources (Uses)	\$ 382,912	\$ 270,087	\$ 371,662	\$ 429,690	\$ 240,488
Net Changes in Fund Balances	\$ 1,636,830	\$ 27,517	\$ 2,290,487	\$ 3,112,985	\$ 2,918,419
Fund Balances - Beginning of Year (as restated)	7,645,668	9,263,965	9,291,482	11,559,308	14,672,493
Fund Balances - End of Year	<u>\$ 9,282,498</u>	<u>\$ 9,291,482</u>	<u>\$ 11,581,969</u>	<u>\$ 14,672,293</u>	<u>\$ 17,590,912</u>
Debt Service as a Percentage of Noncapital Expenditures	1.2%	1.5%	0.9%	0.8%	0.9%

State of Oklahoma
 Personal Income by Industry
 Last Ten Years
 (expressed in millions)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Total Personal Income	\$ 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
Private Earnings	87,058	92,367	96,706	103,580	103,347	94,363	102,252	103,000	102,256	109,469
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
Government	21,036	21,204	21,332	22,460	23,086	23,122	23,606	24,887	25,659	26,135
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 2013 and 2022

Calendar Year 2022

<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 2013

<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	2014	2015	2016	2017	2018
Aircraft Excise Tax	\$ 4,074,978	\$ 3,243,398	\$ 4,828,624	\$ 5,391,211	\$ 4,053,797
Alcoholic Beverage Excise Tax	26,372,098	26,987,301	26,646,189	28,106,231	28,556,548
Beverage Tax	23,896,702	23,283,684	22,887,790	22,331,800	21,877,356
Bingo Tax	105,890	80,475	61,400	29,185	101,233
Business Activity Tax	33,395,208	816,420	107,215	33,469	20,356
Charity Games Tax	34,835	37,195	18,534	13,514	17,394
Cigarette Tax	195,926,775	197,553,535	198,606,624	185,771,745	197,801,584
City Use Tax - Collect/Deposit	1,313,014	1,356,836	658,449	694,396	899,474
Coin Operated Device Decal	3,602,660	3,794,511	3,719,626	3,585,473	3,557,522
Controlled Dangerous Substance Tax	72,283	63,393	55,753	42,755	45,251
County Tax (Use & Lodging)	357,102	372,177	181,421	161,073	178,659
Diesel Fuel Excise Tax	80,309,870	79,234,208	68,837,914	80,680,616	83,928,077
Documentary Stamp Tax	15,763,766	18,191,408	18,008,889	19,078,660	21,022,186
Farm Implement Tax Stamps	11,611	11,697	10,666	7,886	8,177
Franchise Tax	1,126,420	56,540,151	56,198,494	52,175,517	59,063,475
Freight Car Tax	837,888	826,793	850,181	797,132	1,016,667
Fuels Excise Tax	-	-	-	-	-
Gaming Exclusivity Fees	123,376,190	128,443,759	134,390,332	135,437,136	139,811,191
Gasoline Excise Tax	202,091,479	207,370,800	214,758,884	204,215,392	213,150,162
Gross Production Tax - Oil and Gas	477,781,300	401,619,064	196,635,110	270,569,184	480,533,689
Horse Track Gaming	20,615,037	20,592,150	20,890,153	20,738,589	25,459,166
Income Tax (Individual)	2,835,207,273	3,152,729,993	2,941,832,022	2,881,519,924	3,207,252,928
Income Tax (Corporate)	408,109,649	375,873,186	371,445,751	167,149,379	233,637,308
Inheritance and Estate Tax	873,332	1,056,925	126,278	256,834	176,713
Insurance Premium Tax	223,090,507	244,415,684	257,217,612	243,245,651	280,967,940
Medical Marijuana Excise Tax	-	-	-	-	-
Mixed Beverage Gross Receipts Tax	46,127,916	50,193,262	52,872,099	54,204,358	57,325,035
Occupational Health and Safety Tax	2,597,953	2,171,916	2,280,573	1,615,273	1,590,164
Pari-Mutuel Taxes	1,168,333	1,163,885	1,068,502	1,085,121	1,105,126
Pari-Mutuel - Other Tax	6,961	6,028	24,116	8,318	10,119
Petroleum Excise Tax	16,135,417	14,152,206	8,148,238	11,897,143	15,825,493
Rural Electric Co-operative Tax	2,055,243	2,214,029	2,031,514	2,048,871	2,163,108
Sales Tax	2,335,326,717	2,424,380,716	2,268,723,336	2,192,792,253	2,511,931,524
Sales Tax - City	14,952,187	16,725,211	8,964,736	8,283,457	8,903,019
Sales Tax - County	3,328,337	3,800,593	1,919,312	1,632,995	1,602,075
Special Fuel Decal	450,950	351,812	159,254	930,292	760,693
Special Fuel Use Tax	1,485,281	1,534,694	1,541,979	1,068,339	1,175,495
Tag Agent Remittance Tax	388,643,946	376,730,773	385,676,774	391,613,483	404,913,340
Telephone Surcharge	634,760	570,979	493,779	403,749	288,787
Tobacco Products Tax	40,243,152	44,462,393	47,592,850	50,725,702	52,835,101
Tribal Compact in Lieu of Tax Payments	31,908,905	27,372,341	28,901,523	30,894,381	38,587,904
Unclaimed Property Assessment	10,235,907	9,433,401	10,200,000	11,033,333	9,366,667
Unclassified Tax Receipts	43	436,149	209,126	5,884	46,065
Use Tax	237,162,483	240,423,735	208,492,766	219,582,282	276,137,946
Vehicle Revenue Tax Stamps	47,408	46,974	47,338	45,594	46,494
Workers' Compensation Awards - Assessments	55,465,606	63,469,440	57,157,971	48,609,051	49,240,983
Workers' Compensation Insurance Premium Tax	10,210,365	9,789,096	9,129,743	6,500,000	6,500,000
Other Taxes	32,368,659	37,118,891	33,803,335	35,231,845	35,434,656
Total	\$7,908,902,396	\$8,271,043,267	\$7,668,412,775	\$7,392,244,476	\$8,478,926,647

Prepared using cash basis to aid in budgetary analysis.
Source: Oklahoma Tax Commission as adjusted.

Taxes	2019	2020	2021	2022	2023
Aircraft Excise Tax	\$ 3,829,965	\$ 3,794,099	\$ 3,956,302	\$ 4,314,784	\$ 8,863,563
Alcoholic Beverage Excise Tax	36,983,470	44,835,030	49,101,359	49,829,374	49,497,408
Beverage Tax	9,072,758	-	-	-	-
Bingo Tax	66,773	44,609	37,217	38,507	31,916
Business Activity Tax	5,816	3,071	1,862	962	50
Charity Games Tax	10,673	10,906	12,589	14,112	12,752
Cigarette Tax	246,346,627	291,607,978	289,985,598	274,053,287	253,668,514
City Use Tax - Collect/Deposit	1,185,318	1,340,884	1,601,910	1,825,019	2,013,588
Coin Operated Device Decal	3,384,094	2,844,719	3,315,444	2,173,634	3,173,870
Controlled Dangerous Substance Tax	52,406	30,856	37,248	53,328	27,948
County Tax (Use & Lodging)	254,255	275,990	316,355	366,925	407,266
Diesel Fuel Excise Tax	128,861,400	134,645,265	118,817,071	138,947,335	137,655,316
Documentary Stamp Tax	21,555,093	21,995,939	26,411,147	36,553,243	31,535,408
Farm Implement Tax Stamps	9,225	10,657	9,872	9,907	10,684
Franchise Tax	57,322,320	52,706,327	53,492,108	64,190,096	54,559,313
Freight Car Tax	1,081,051	1,049,614	892,984	1,028,872	1,113,345
Fuels Excise Tax	-	-	-	-	96,706
Gaming Exclusivity Fees	148,309,097	133,807,934	148,521,291	191,164,227	202,646,244
Gasoline Excise Tax	263,009,336	263,346,685	257,583,614	270,841,299	268,712,593
Gross Production Tax - Oil and Gas	858,159,342	678,981,057	522,603,697	1,152,159,709	1,537,052,868
Horse Track Gaming	28,358,978	26,307,770	20,491,172	30,608,586	31,729,973
Income Tax (Individual)	3,497,148,830	3,315,561,478	3,546,938,689	4,162,982,956	4,301,479,173
Income Tax (Corporate)	316,809,235	344,452,299	479,125,341	861,113,166	762,981,215
Inheritance and Estate Tax	-	-	-	-	-
Insurance Premium Tax	271,859,078	290,845,768	282,508,335	301,571,331	295,269,217
Medical Marijuana Excise Tax	4,648,134	39,063,301	65,618,066	61,444,355	48,643,896
Mixed Beverage Gross Receipts Tax	71,952,273	74,148,353	68,698,434	95,240,936	104,453,726
Occupational Health and Safety Tax	1,336,057	1,260,132	1,339,054	1,062,183	1,167,199
Pari-Mutuel Taxes	1,030,908	1,260,912	1,296,002	1,122,143	1,016,838
Pari-Mutuel - Other Tax	8,654	9,242	5,327	10,341	6,673
Petroleum Excise Tax	19,884,698	15,062,434	11,379,743	22,340,491	27,750,000
Rural Electric Co-operative Tax	2,321,431	2,307,049	2,315,690	2,655,662	2,977,938
Sales Tax	2,667,670,936	2,530,660,596	2,590,610,231	2,948,019,421	3,146,189,307
Sales Tax - City	9,347,469	9,308,745	9,872,578	11,095,933	11,763,937
Sales Tax - County	1,696,214	1,596,107	1,613,817	1,848,037	2,015,903
Special Fuel Decal	1,763,447	892,110	616,014	724,681	594,030
Special Fuel Use Tax	1,547,063	1,494,373	1,390,146	1,515,864	1,517,703
Tag Agent Remittance Tax	415,230,477	412,766,236	380,551,556	424,956,336	458,646,053
Telephone Surcharge	565,043	272,190	32,210	319,074	132,690
Tobacco Products Tax	56,054,853	57,622,723	63,466,721	62,326,248	55,108,398
Tribal Compact in Lieu of Tax Payments	56,755,231	59,239,982	58,757,811	56,827,826	52,360,062
Unclaimed Property Assessment	9,366,667	10,200,000	11,033,333	7,700,000	11,866,667
Unclassified Tax Receipts	522,069	-	94,833	-	-
Use Tax	375,238,267	409,580,822	467,578,147	526,207,540	592,369,914
Vehicle Revenue Tax Stamps	47,278	46,462	49,105	44,991	44,220
Workers' Compensation Awards - Assessments	47,490,599	41,611,770	28,911,724	52,688,080	58,497,594
Workers' Compensation Insurance Premium Tax	6,000,000	5,750,000	4,000,000	5,750,000	5,750,000
Other Taxes	39,398,595	42,153,143	47,157,754	52,134,575	57,758,059
Total	\$9,683,551,503	\$9,324,805,616	\$9,622,149,501	\$11,879,875,376	\$12,583,169,737

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)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt Service										
Principal										
Retirement	\$ 361,488	\$ 408,643	\$ 191,272	\$ 179,384	\$ 140,272	\$ 157,460	\$ 215,446	\$ 122,507	\$ 141,899	\$ 185,451
Interest and										
Fiscal Charges	71,269	60,833	76,228	72,994	59,145	53,036	61,517	58,380	64,270	67,731
Total Debt Service	<u>\$ 432,757</u>	<u>\$ 469,476</u>	<u>\$ 267,500</u>	<u>\$ 252,378</u>	<u>\$ 199,417</u>	<u>\$ 210,496</u>	<u>\$ 276,963</u>	<u>\$ 180,887</u>	<u>\$ 206,169</u>	<u>\$ 253,182</u>
Total										
Expenditures	\$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	\$26,817,259
Ratio	2.604%	2.946%	1.652%	1.584%	1.257%	1.229%	1.527%	0.876%	0.853%	0.944%

State of Oklahoma
 Ratios of Outstanding Debt by Type
 Primary Government
 Last Ten Fiscal Years
 (expressed in thousands)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental Activities Debt:										
General Obligation Bonds	\$ 131,955	\$ 107,395	\$ 82,100	\$ 55,875	\$ 28,530	\$ -	\$ -	\$ -	\$ -	\$ -
General Obligation Bonds as a										
Percentage of General Revenue ^a	1.49%	1.21%	0.97%	0.67%	0.30%	0.00%	0.00%	0.00%	0.00%	0.00%
Per Capita (actual-not in thousands) ^b	\$ 34	\$ 28	\$ 21	\$ 14	\$ 7	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue bonds	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	1,538,438
Notes Payable	173,985	47,245	30,520	16,575	69,995	61,505	59,360	56,330	109,952	150,647
Capital Leases	8,271	6,526	4,202	2,740	1,362	544	78	-	-	-
Right-to-Use and Intangible Leases									92,250	126,137
Total Governmental Activities	<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>\$ 1,873,484</u>	<u>\$ 1,815,222</u>
Business-Type Activities Debt:										
Revenue Bonds	<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>	<u>\$ 1,800,690</u>
Total Business-Type Activities	<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>	<u>\$ 1,800,690</u>
Total Primary Government	<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>\$ 3,360,139</u>	<u>\$ 3,615,912</u>
Total Primary Government Debt as a										
Percentage of Personal Income ^c	1.46%	1.32%	1.20%	1.34%	1.31%	1.35%	1.24%	1.40%	1.56%	1.60%
Per Capita (actual-not in thousands) ^b	\$ 618	\$ 569	\$ 543	\$ 569	\$ 568	\$ 621	\$ 585	\$ 693	\$ 836	\$ 899

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>
COMPONENT UNITS:						
Oklahoma Student Loan Authority	2023	\$ 35,660	\$ 32,918	\$ 2,742	\$ -	-
(June 30 year end)	2022	25,855	20,704	5,151	-	-
	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
Oklahoma Housing Finance Agency	2022	\$ (12,713)	\$ 15,865	\$ (28,578)	\$ 10,279	-2.78
(September 30 year end)	2021	30,079	15,472	14,607	11,310	1.29
	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
Oklahoma Turnpike Authority	2022	\$ 382,292	\$ 142,111	\$ 240,181	\$ 123,173	1.95
(December 31 year end)	2021	380,586	118,289	262,297	80,675	3.25
	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
Grand River Dam Authority	2022	\$ 633,949	\$ 470,387	\$ 163,562	\$ 85,529	1.91
(December 31 year end)	2021	574,726	404,373	170,353	85,061	2.00
	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

	Fiscal Year Ended	Gross Revenues (1)	Operating Expenses (2)	Net Revenues for Debt Service	Debt Service Requirements	Debt Serv. Coverage
Oklahoma Municipal Power Authority (December 31 year end)	2022	\$ 218,926	\$ 169,948	\$ 48,978	\$ 47,026	1.04
	2021	191,981	138,202	53,779	47,070	1.14
	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
Higher Education (June 30 year end)	2023	\$ 5,793,971	\$ 4,751,602	\$ 1,042,369	\$ 147,768	7.05
	2022	5,228,385	4,632,607	595,778	143,728	4.15
	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
ENTERPRISE FUND:						
Oklahoma Water Resources Board (June 30 year end)	2023	\$ 37,799	\$ 2,224	\$ 35,575	\$ 58,442	0.61
	2022	33,662	1,137	32,525	45,645	0.71
	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

(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 2013 and 2022

Non-Governmental Major Employers 2013	Non-Governmental Major Employers 2022	Employment 2022	Percentage of Total State Employment 2022
Wal-Mart Stores, Inc.	Wal-Mart Associates Inc.	37,500	2.05%
Integrus Health, Inc.	Amazon	14,000	0.77%
Saint Francis Hospital, Inc.	Integrus Health, Inc.	11,400	0.62%
Saint John Medical Center, Inc.	Hobby Lobby Stores	8,200	0.45%
American Airlines, Inc.	Saint Francis Hospital	8,200	0.45%
W. H. Braum, Inc.	Chickasaw Nation	6,400	0.35%
Hobby Lobby Stores	Mercy Health	6,200	0.34%
Chesapeake Energy Corporation	Braum's Inc	5,900	0.32%
Express Employment Professionals	Choctaw Nation of OK	5,900	0.32%
Lowe's Home Centers, Inc.	Dollar General	4,800	0.26%

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 ^a (in thousands)				Personal Income ^a	Per Capita Personal Income ^a			Civilian Labor Force ^b		
	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
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%
2022	333,288	0.42%	4,020	0.83%	226,308	65,470	56,298	85.99%	1,830,061	56,979	3.0%

*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>2022</u>
Early Childhood	37,929	40,121	40,129	39,474	36,377	36,679	36,790	37,212	32,268	30,491
Kindergarten	52,339	54,649	55,127	53,453	49,620	49,334	50,039	50,299	48,065	47,660
Elementary School	252,235	266,499	257,154	248,631	251,280	249,922	247,719	246,294	241,409	242,639
Junior High/Middle School	130,505	141,539	123,812	142,131	140,895	141,909	145,575	151,095	152,194	149,433
Senior High School	173,193	154,144	184,074	187,031	188,966	190,312	192,690	193,470	195,962	203,932
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	20,949
Special Education (Early Childhood)	1,535	1,542	2,070	2,169	2,274	2,418	2,646	2,193	2,748	5,049
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>1,105</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>701,258</u>
<u>Higher Education:</u>										
Public Institutions	251,096	236,865	228,768	225,858	221,207	216,191	210,090	223,812	200,592	196,025
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>14,459</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>210,484</u>
<u>Career-Technology Education:</u>										
Secondary *	151,720	149,501	152,227	150,958	156,673	159,686	156,737	154,804	142,341	161,270
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>328,365</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>489,635</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)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Function:										
Education	817	782	767	740	768	724	818	822	861	840
Government										
Administration	2,829	2,633	2,624	2,529	2,508	2,382	2,409	2,314	2,334	2,611
Health Services	4,434	4,519	4,497	4,429	3,873	5,642	4,346	4,356	4,682	4,641
Legal and Judiciary	2,220	2,255	2,216	2,135	2,086	2,155	2,132	2,098	2,073	2,126
Museums	145	140	129	112	116	118	124	124	128	136
Natural Resources	2,254	2,360	2,325	2,329	2,291	1,767	2,266	2,408	2,412	2,476
Public Safety and Defense	6,367	6,338	6,409	6,564	6,586	6,594	6,739	6,365	6,054	6,099
Regulatory Services	1,302	1,023	1,030	1,087	1,126	1,067	1,110	1,046	1,020	1,030
Social Services	11,268	11,518	10,911	10,109	9,475	7,771	9,621	9,546	9,171	9,227
Transportation	2,906	2,868	2,912	2,840	2,886	2,376	2,917	2,808	2,752	2,771
Total	34,542	34,436	33,820	32,874	31,715	30,596	32,482	31,887	31,487	31,957

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)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities:										
Education	\$ 33,274	\$ 32,602	\$ 33,110	\$ 32,936	\$ 32,736	\$ 33,017	\$ 33,873	\$ 34,646	\$ 35,559	\$ 37,807
Government										
Administration	289,411	286,592	276,274	250,684	238,202	142,663	136,050	192,367	187,817	202,909
Health Services	151,996	151,408	157,047	166,329	167,742	165,904	166,674	178,588	182,238	191,237
Legal and Judiciary	824	529	1,168	818	526	2,376	2,216	1,960	8,145	10,824
Museums	13,920	12,942	13,894	13,754	13,614	13,548	13,410	13,275	13,233	12,153
Natural Resources	218,155	233,997	251,259	270,754	271,772	290,751	307,321	308,552	318,459	347,003
Public Safety and Defense	522,170	507,035	444,173	429,586	424,454	428,682	439,443	459,306	502,519	504,791
Regulatory Services	726	947	804	676	496	5,852	8,480	15,454	19,806	23,490
Social Services	86,288	87,785	85,479	77,556	88,957	99,458	118,215	129,510	159,283	169,662
Transportation	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	12,911,869
Governmental activities, net	<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>	<u>\$14,411,745</u>
Business-type activities, net	<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>	<u>\$ 3,330</u>

State of Oklahoma

Operating Indicators for Governmental Functions

Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Government Administration										
Office of Management and Enterprise Services										
Number of motor vehicles maintained	1,104	1,093	1,076	1,050	1,007	1,007	1,068	1,051	985	993
Number of buildings managed	20	28	28	28	28	28	28	28	29	29
Health Services										
Department of Health										
Protective services:										
Retail food establishment inspections	44,939	45,417	47,457	45,887	47,414	35,878	29,175	34,561	37,079	42,897
Food inspections	47,831	48,417	48,913	47,238	48,602	56,750	36,389	36,627	39,921	45,840
Long-Term Care:										
Facility licensing, inspections and complaints	2,492	2,275	2,901	2,231	2,227	2,266	1,399	1,208	2,587	2,901
Residents (approximate)	19,006	18,987	18,880	18,722	18,135	19,754	16,424	16,242	42,242	43,011
Mental Health and Substance Abuse Department										
Number of clients:										
Mental Health	166,181	167,464	172,096	175,823	177,882	182,583	183,767	171,230	180,986	199,973
Substance Abuse	37,292	39,747	39,257	37,709	32,847	33,413	31,733	29,057	31,229	32,650
Hospitals - Inpatient Care	3	2	2	2	2	2	2	2	2	2
Legal and Judiciary										
Oklahoma Indigent Defense system										
Provides legal representation for indigent citizens charged with committing criminal acts.										
Represented - Total Court Appointments	48,401	49,723	58,025	60,747	61,115	64,897	58,853	56,658	51,872	52,507
Included above: Non-capital trial cases	47,543	48,964	57,318	59,986	60,317	64,133	58,220	55,973	51,226	51,855
Capital trial cases	53	50	44	58	56	37	31	34	27	30
General appeals cases	648	565	663	703	742	727	602	651	619	622
Average cost: Non-capital case (Staff Attorney)	\$346	\$304	\$334	\$333	\$474	\$499	\$639	\$706	\$852	\$785
Capital case (Staff Attorney)	\$36,710	\$37,075	\$40,252	\$48,385	\$41,224	\$61,864	\$49,522	\$36,637	\$44,969	\$53,724
Museums										
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	28,000	30,000	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	2,500	2,500	2,500	2,500	2,500	2,500
Visitors and researchers per year (approximate)	183,251	183,000	182,000	185,000	199,000	196,000	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	36,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Visitors and researchers per year (approximate)	29,000	31,000	26,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Natural Resources										
Wildlife Conservation										
Number of Anglers in State (last census)	729,000	729,000	729,000	729,000	729,000	508,000	508,000	513,000	513,000	513,000*
Number of Hunters (last census)	244,000	244,000	244,000	244,000	244,000	149,000	149,000	151,000	151,000	422,000*
Number of Wildlife Watchers (last census)	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	4,074,000*

* - 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.

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public Safety and Defense										
Department of Public Safety										
Driver's Licenses Issued	835,807	727,169	726,740	758,277	773,495	743,173	797,078	726,597	1,188,214	1,144,863
Citations Processed	198,518	200,826	213,616	205,905	162,542	171,885	144,414	157,235	120,827	93,440
Collision Reports Processed	82,067	74,267	72,537	83,320	79,615	77,254	70,880	69,062	44,340	43,673
Department of Corrections										
Capacity (Number of Beds)	26,473	27,256	27,064	27,399	26,863	25,770	26,672	24,995	23,890	23,890
Prison Population	26,874	27,889	27,987	26,710	27,010	26,821	24,979	21,791	21,022	21,378
As a percentage of capacity	101.5%	102.3%	103.4%	97.5%	100.5%	104.1%	93.7%	87.2%	88.0%	89.5%
Cost to house an inmate:										
Per diem cost/day - Maximum Security	\$100.80	\$87.20	\$84.01	\$94.13	\$98.19	\$90.48	\$108.17	\$90.32	\$113.66	\$102.85#
Per diem cost/day - Medium Security	\$47.47	\$42.83	\$45.46	\$45.73	\$46.73	\$52.35	\$61.71	\$56.74	\$63.24	\$66.38#
Regulatory Services										
Oklahoma Corporation Commission										
Number of regulated utilities	420	411	410	359	361	365	350	349	335	338
Hearings and administrative proceedings	40,594	43,642	44,269	46,463	56,740	73,510	53,551	47,966	61,625	34,267
Motor carrier vehicles registered (power units)	152,280	157,188	156,722	178,913	143,774	145,406	147,433	128,522	145,719	137,510
Oil and gas wells plugged (operator plugged)	1,485	1,226	2,403	1,072	1,253	574	1,233	1,428	1,382	1,437
Oil and gas wells plugged (abandoned, plugged by OCC)	206	176	132	44	119	138	110	82	74	488
Motor Fuel Facilities inspected	6,011	4,371	4,384	4,923	4,912	4,655	3,442	4,851	5,077	4,686
Retail fuel dispenser (pump) inspections	80,397	80,742	83,649	73,169	74,072	73,694	56,324	80,332	89,258	84,275
Social Services										
Department of Human Services										
Adoption subsidies (end of fiscal year)	14,123	15,333	16,611	18,417	19,337	20,208	20,868	21,044	22,448	21,578
Adult protective svcs (state fiscal year)	15,010	14,807	9,821	8,499	5,932	4,306	7,907	5,519	9,032	11,332
Child care services provided (monthly average)	33,322	32,336	31,713	44,942	43,642	49,950	49,053	46,961	52,745	57,604
Licensed facilities (monthly average)	3,825	3,558	3,438	3,317	3,185	3,038	2,986	2,825	2,841	3,108
Licensed capacity (monthly average)	131,150	126,123	124,200	122,253	120,930	117,031	115,771	113,360	116,591	124,186
Child protective services-Substantiated (state fiscal year)	14,172	15,252	15,187	15,289	15,951	15,809	15,911	14,466	13,921	14,273
Child support enforcement (cases-quarterly average)	206,746	207,677	206,701	201,459	194,836	189,917	185,424	177,021	166,950	159,882
Developmental Disabilities Persons Served (end of fiscal year)	9,777	9,693	8,905	8,186	7,845	7,770	7,919	8,342	8,180	9,747
Elderly support services (meals/state fiscal year)	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	7,400,000
Food stamps (unduplicated count/state fiscal year)	615,412	867,968	874,873	850,855	825,583	804,641	816,375	833,205	855,165	913,240
Foster care children (end of fiscal year)	11,483	10,942	9,984	9,923	9,277	8,631	8,499	8,099	7,382	7,029
Oklahoma Employment Security Commission										
Initial unemployment claims	108,758	105,258	109,028	90,007	73,761	90,668	857,192	496,111	123,261	141,143
Unemployment insurance paid (in thousands)	\$247,149	\$270,420	\$386,313	\$313,657	\$234,472	\$209,215	\$858,138	\$922,058	\$275,058	\$168,490
Transportation										
Oklahoma Department of Transportation										
State Highway System (miles)	12,882	12,265	12,265	12,265	12,265	12,265	12,254	12,254	12,254	12,254
Bridges on the State Highway System	6,800	6,828	6,828	6,828	6,828	6,824	6,794	6,794	6,794	6,794
System usage growth next 20 years (est.)										
Automobiles	65%	65%	65%	26%	26%	27%	20%	20%	20%	20%
Trucks	65%	65%	65%	52%	52%	30%	40%	40%	40%	40%
Freight railroads operating in Oklahoma	22	22	22	22	22	22	23	23	23	23
Passenger railroad	1	1	1	1	1	1	1	1	1	1
Rail passengers (average per year)	81,000	82,000	82,000	82,000	82,000	82,000	68,000	68,000	68,000	68,000
Railroad track (miles)	3,746	3,740	3,740	3,740	3,740	3,740	3,244	3,244	3,244	3,244
Public Waterway Ports	2	2	2	2	2	2	2	2	2	2

- Estimated - current year

State of Oklahoma

Additional Information and Sources of Statistical Data

Fiscal Year 2023

Additional Information:

The population of Oklahoma has steadily increased since 2013, averaging 0.52% per year. The 2022 population was estimated at 4,019,271.

At the end of December 2022, the United States (U. S.) Bureau of Labor Statistics reported the state's unemployment rate was 3.1% compared to the national rate of 3.6%.

Oklahoma's total personal income rate has increased at an average of 3.4% annually since 2013. During the same period, Oklahoma's personal income per capita increased annually by an average of 2.9% compared to 3.9% nationally.

As a result, annual total tax collections since 2014 have increased by \$4,674,267,341 or 59.1%.

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

2023

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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