



***OSAGE COUNTY EDUCATIONAL FACILITIES AUTHORITY
PAWHUSKA, OKLAHOMA***

**FINANCIAL STATEMENTS
AND INDEPENDENT
AUDITOR'S REPORT**
For the Year Ended
June 30, 2022

Osage County Educational Facilities Authority
Annual Financial Report
As of and for the Year Ended June 30, 2022

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Osage County Educational Facilities Authority
Annual Financial Report
As of and for the Year Ended June 30, 2022

BOARD OF TRUSTEES

Steve Talburt	Chairman
Randall Jones	Trustee
Darren McKinney	Trustee
Robin Slack	Secretary
Sally Hulse	Treasurer

INDEPENDENT AUDITOR'S REPORT

To the Governing Board
Osage County Educational Facilities

OPINION

We have audited the accompanying financial statements of Osage County Educational Facilities a component unit of Osage County, State of Oklahoma, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Osage County Educational Facilities as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows therefor for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 Mayes County Public Facilities Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Osage County Educational Facilities' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Osage County Educational Facilities' 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 Osage County Educational Facilities' 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.

Emphasis of Matter

As discussed in Note I, the financial statements present only the Osage County Educational Facilities Authority, and do not purport to, and do not, present fairly the financial position of the County of Osage, State of Oklahoma, as of June 30, 2022, the changes in its financial position, or where applicable, its cash flows, for the year then ended, in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

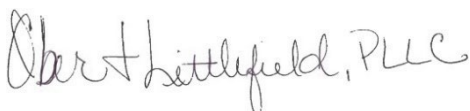
Other Matters

REQUIRED SUPPLEMENTARY INFORMATION

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the *Governmental Accounting Standards Board*, who considers it to be an essential part of financial reporting, for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report, dated March 11, 2025 on our consideration of the Authority's internal control over financial reporting, and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting, or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, on considering the Authority's internal control over financial reporting and compliance.



OBER & LITTLEFIELD, CPAS, PLLC MIAMI,
OKLAHOMA
MARCH 11, 2025

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

To the Board of Trustees
Osage County Educational Facilities Authority

We have audited, in accordance with the auditing standards generally accepted in the United States of America, and the standards applicable to financial audits, contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the enterprise fund of the Osage County Educational Facilities Authority, a component unit of the county of Osage, Oklahoma, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Osage County Educational Facilities Authority's basic financial statements, and have issued our report thereon dated March 11, 2025.

Internal Control over Financial Reporting

In planning, and performing, our audit, we considered the Authority's internal control over financial reporting as a basis for designing our auditing procedures, for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over financial reporting.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses, or significant deficiencies. Material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

Very truly yours,



OBER & LITTLEFIELD, CPAs, PLLC
MIAMI, OKLAHOMA

March 11, 2025

Osage County Educational Facilities Authority
Statement of Net Position
For Year ended June 30, 2022

ASSETS

Current Assets

Cash and Cash Equivalents, Restricted	\$ 40,554.63
Deposits with Third Party	7,811.62
Rent Receivable	3,000.00
Lease Purchase Receivable, current portion	765,000.00
Total Current Assets	<u>816,366.25</u>

Noncurrent Assets

Lease Purchase Receivable, net of current portion	4,300,000.00
Construction in Progress	5,745,866.51
Total Noncurrent Assets	<u>10,045,866.51</u>

Total Assets	<u><u>10,862,232.76</u></u>
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LIABILITIES

Current Liabilities

Accrued Interest Payable	55,038.75
Bonds Payable, current portion	765,000.00
Total Current Liabilities	<u>820,038.75</u>

Long Term Liabilities

Bonds Payable, net of current portion	4,300,000.00
Total Liabilities	<u><u>5,120,038.75</u></u>

DEFERRED INFLOWS OF RESOURCES

Deferred Lease Purchase	<u>6,330,000.00</u>
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NET POSITION

Net Investment in Capital Assets	680,866.51
Restricted	(1,268,672.50)
Total Net Position	<u><u>\$ (587,805.99)</u></u>

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

Osage County Educational Facilities Authority
Statement of Revenues, Expenses and Changes in Fund Net position
For Year ended June 30, 2022

Operating Revenues	
Rental Income	\$ 6,000.00
Operating Expenses	
Trustee Expense	7,166.68
Professional Fees	7,764.00
Total Operating Expenses	<u>14,930.68</u>
Net Income (Loss) From Operations	<u>(8,930.68)</u>
Non Operating Revenue (Expense)	
Interest Lease Payment from School	44,450.00
Investment Earnings	44.26
Residual Funds to School	(1,237.20)
Gain on Barnsdall Bond 2011B	44,836.02
Interest Expense	<u>(172,236.64)</u>
Total Non-Operating Revenue (Expense)	<u>(84,143.56)</u>
Net Income (Loss)	(93,074.24)
Net Position, Beginning of Year	<u>(494,731.75)</u>
Net Position, End of Year	<u><u>\$ (587,805.99)</u></u>

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

Osage County Educational Facilities Authority
Statement of Cash Flows
For Year ended June 30, 2022

Cash Flows from Operating Activities

Cash Inflows:

Payments Received from Schools	\$ 7,500.00
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Cash Outflows:

Trustee Fees	(7,166.68)
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Professional Fees	(7,764.00)
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Net Cash Provided (Used) by Operating Activities	(7,430.68)
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Cash Flows from Capital and Related Financing Activities

Interest Lease Purchase Payment from School	44,450.00
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Proceeds from Federal Interest Subsidy	12,832.50
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Debt Service on Bonds Payable, Principal	-
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Debt Service on Bonds Payable, Interest	(186,477.41)
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Purchase of Capital Assets-Construction in Progress	(12,924.19)
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Residual Funds to School	(1,237.20)
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Net Cash Provided (Used) by Capital and Related Financing Activities	(143,356.30)
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Cash Flows from Investing Activities

Interest Received from Investments	44.26
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Net Cash Inflow (Outflow) from All Activities	(150,742.72)
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Cash and Cash Equivalents at Beginning of Year	199,108.97
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Cash and Cash Equivalents at End of Year	\$ 48,366.25
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Cash and Cash Equivalents

Cash and Cash Equivalents at End of Year	48,366.25
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Cash and Cash Equivalents at End of Year	\$ 48,366.25
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Reconciliation of Operating Income (Loss) to Net Cash

Provided by Operating Activities

Net Operating Income (Loss)	\$ (8,930.68)
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Decrease in Rent Recievable	1,500.00
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Net Cash Provided (Used) by Operating Activities	\$ (7,430.68)
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The accompanying Notes to the Financial Statements are an integral part of this statement.

Osage County Educational Facilities Authority
Notes to the Financial Statements
For Year ended June 30, 2022

The following notes to the financial statements are an integral part of Osage County Educational Facilities Authority's financial statements.

I. Summary of Significant Accounting Policies

Osage County Educational Facilities Authority, Pawhuska, Oklahoma (the Authority) was established as a Trust for the use and benefit of the Beneficiary for the public purposes hereinafter set forth, under the provisions of Title 60, Oklahoma Statutes 2001, Sections 176 to 180.4, inclusive, as amended and supplemented, the Oklahoma Trust Act and other applicable statutes and laws of the State of Oklahoma. The Trust is to assist the Beneficiary in making the most efficient use of all their economic resources and powers to lessen the burden on government and to stimulate educational growth and development; promote the educational wellbeing of the Beneficiary by improving available resources, increasing meaningful job opportunities, promoting entrepreneurship and capital investment. The Trust is to conduct all business related to providing the necessary educational facilities and/or services; to plan, establish, develop, construct, finance, enlarge, remodel, acquire, improve, make alternations, extend, maintain, equip, operate, lease, furnish and regulate any facilities related to any of the foregoing, and if desired, to lease such facilities and to operate the same in connection therewith, and to do, perform, own, acquire, construct or engage in or finance any other enterprise or activity, project or facility to such extent and in such manner as now is or may be considered a proper and lawful function of public trust entities within the State of Oklahoma. The Authority began operation on August 15, 2011. The Authority is exempt from federal and state income taxes.

On August 1, 2011, the Board of Trustees of the Authority approved the Osage County Educational Facilities Authority Educational Facilities Lease Revenue Bonds, Barnsdall Public Schools Project Series 2011A, 2011B and 2011C, between the Authority and BancFirst (the Trustee) providing for the issuance of Revenue Bonds in the aggregate principal amount of \$450,000, \$1,300,000 and \$80,000.

On December 1, 2012, the Board of Trustees of the Authority approved the Osage County Educational Facilities Authority Educational Facilities Lease Revenue Bonds, Prue Public Schools Project Series 2012 between the Authority and the Bank of Oklahoma (the Trustee) providing for the issuance of Revenue Bonds in the aggregate principal amount of \$1,785,000.

On September 1, 2018, the Board of Trustees of the Authority approved the Osage County Educational Facilities Authority Educational Facilities Lease Revenue Bonds, Barnsdall Public School Series 2018 between the Authority and BancFirst (the Trustee) providing for the issuance of Revenue Bonds in the aggregate principal amount of \$4,545,000.

The accounting policies of the Authority conform to generally accepted accounting principles applicable to governmental units. The Authority complies with generally accepted accounting principles and applies all relevant Government Accounting Standards Board (GASB) pronouncements. In addition, the Authority applies Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The Authority has elected not to follow FASB pronouncements issued since that date.

I. Summary of Significant Accounting Policies (continued)

A. Financial Reporting Entity

The Authority complies with GASB Statement No. 61, “*The Financial Reporting Entity*.” This statement establishes standards for defining and reporting on the financial reporting entity. It defines component units as legally separate organizations for which the elected officials of the primary government are financially accountable and other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. The Authority considered all potential component units in determining what organizations should be included in the financial statements. Based on these criteria, there are no component units to include in the Authority’s financial statements.

B. Basis of Presentation

The Authority’s fund is an enterprise fund. Enterprise funds are proprietary funds used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector.

C. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe *which* transactions are recorded within the various financial statements. Basis of accounting refers to *when* transactions are recorded regardless of the measurement focus applied.

The proprietary funds utilize an “*economic resources*” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or an economic asset used.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the Authority’s enterprise fund is rent and lease payments charged to the Barnsdall and Prue School Districts. Operating expenses for enterprise funds include the cost of administrative expenses and professional fees. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

I. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities, Net Position and Revenues

1. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Trust considers all cash on hand, demand deposits, and highly liquid investments, with an original maturity of three months or less when purchased, to be cash and cash equivalents.

2. Fair Value of Financial Instruments

The Authority's financial statements include cash and investments. The Authority's estimates of the fair value of all financial instruments do not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

3. Restricted Assets

Restricted assets include investments of the proprietary fund that are legally restricted as to their use. Financial requirements of the bond indenture require that funds be held in a bond fund which is comprised of the reserve account, debt service account, and improvement account. Under the terms and provisions of the indenture, these funds are maintained with the Trustee bank and are not subject to lien or attachment by any other creditors. These funds are to be maintained so long as the bonds are outstanding.

4. Rent Receivable

The Authority receives semi-annual rent payments from Barnsdall Public School and Prue Public School in the amount of \$1,500 for each bond series.

5. Capital Assets

Capital Assets are comprised of Construction in Progress and Improvements to facilities. There were \$12,924.19 construction in progress expenditures during the year. When Construction in Progress is complete the expenditures will be moved to a Capital Lease Assets account and will remain non-depreciable assets until the lease obligation is fulfilled and title is transferred to the schools.

The Barnsdall Public School 2011B lease was paid off in fiscal year 2021-2022. Capital Lease Assets of \$1,255,163.98 were transferred to the school.

6. Accrued Interest

Interest payments on the Barnsdall Series 2011B bonds are subsidized by the Federal government. The interest subsidy payments are received semi-annually on March 1 and September 1 each year until maturity. Interest payable is accrued from March 1 through June 30 on all bonds. Barnsdall is responsible for any difference between the semi-annual interest payment and what is received from the Federal government.

I. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities, Net Position and Revenues (continued)

7. Long-Term Obligations

Long-term debt is reported as a liability in the Authority's balance sheet. Bond discounts, as well as issuance costs, are expensed in the current period and are reported as an expense on the Authority's balance sheet.

8. Deferred Lease Purchase

The Authority entered into a lease agreement with Barnsdall Public School and Prue Public School. The bond proceeds are used to complete construction and building improvements throughout the Districts. The additions and improvements are being sold to the Barnsdall Public School and Prue Public School through a lease agreement.

9. Equity Classifications

Equity is classified as net position and displayed in three components:

- a. Invested in capital assets, net of related debt --- Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. Restricted net position --- Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position --- All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

10. Use of Estimates

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

Osage County Educational Facilities Authority
Notes to the Financial Statements
For Year ended June 30, 2022

II. Detailed Notes Concerning the Funds

A. Cash

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority's cash deposits, including interest-bearing certificates of deposit, are maintained in financial institutions. As of June 30, 2022, none of the Authority's deposits were exposed to custodial credit risk.

Interest rate risk: This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Authority does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

B. Capital Lease Asset

	Balance June 30, 2021	Additions	Disposals	Balance June 30, 2022
Barnsdall Schools 2011 Bond	\$ 1,255,163.98	\$ -	\$ (1,255,163.98)	\$ -
Prue Schools 2012 Bond	1,588,241.88	-	-	1,588,241.88
Barnsdall Schools 2018 Bond	4,144,700.44	12,924.19	-	4,157,624.63
Total	<u>\$ 6,988,106.30</u>	<u>\$ 12,924.19</u>	<u>\$ (1,255,163.98)</u>	<u>\$ 5,745,866.51</u>

C. Long-Term Debt

Barnsdall Public Schools:

The Authority issued building bonds in the amount of \$1,300,000 on August 1, 2011. Interest on the bonds is payable March 1st and September 1st at varying rates. The Authority has annual principal payments, beginning September 1, 2017. This bond was paid off in the 2021-2022 fiscal year.

The Authority issued building bonds in the amount of \$4,545,000 on September 1, 2018. Interest on the bonds is payable March 1st and September 1st at varying rates. The Authority has annual principal payments, beginning September 1, 2020.

Osage County Educational Facilities Authority
Notes to the Financial Statements
For Year ended June 30, 2022

II. Detailed Notes Concerning the Funds (continued)

C. Long-Term Debt (continued)

Debt service requirements for the 2018 Series Bonds are as follows:

Year Ended June 30,	Principal	Interest	Total Requirements
2023	\$ 765,000.00	\$ 136,428.76	\$ 901,428.76
2024	-	124,953.76	124,953.76
2025	815,000.00	112,219.38	927,219.38
2026	-	99,485.00	99,485.00
2027	870,000.00	84,803.75	954,803.75
2028-2031	1,960,000.00	179,278.75	2,139,278.75
	<u>\$ 4,410,000.00</u>	<u>\$ 737,169.40</u>	<u>\$ 5,147,169.40</u>

Prue Public Schools:

The Authority issued building bonds in the amount of \$1,785,000 on December 1, 2012. Interest on the bonds is payable March 1st and September 1st at varying rates. The Authority has annual principal payments, beginning September 1, 2015.

Debt service requirements for the 2012 Series Bonds are as follows:

Year Ended June 30,	Principal	Interest	Total Requirements
2023	\$ -	\$ 17,212.50	\$ 17,212.50
2024	320,000.00	13,212.50	333,212.50
2025	-	9,212.50	9,212.50
2026	335,000.00	4,606.25	339,606.25
	<u>\$ 655,000.00</u>	<u>\$ 44,243.75</u>	<u>\$ 699,243.75</u>

Debt service requirements for all Bonds are as follows:

Year Ended June 30,	Principal	Interest	Total Requirements
2023	\$ 765,000.00	\$ 153,641.26	\$ 918,641.26
2024	320,000.00	138,166.26	458,166.26
2025	815,000.00	121,431.88	936,431.88
2026	335,000.00	104,091.25	439,091.25
2027	870,000.00	84,803.75	954,803.75
2028-2031	1,960,000.00	179,278.75	2,139,278.75
	<u>\$ 5,065,000.00</u>	<u>\$ 781,413.15</u>	<u>\$ 5,846,413.15</u>

Osage County Educational Facilities Authority
Notes to the Financial Statements
For Year ended June 30, 2022

II. Detailed Notes Concerning the Funds (continued)

C. Long-Term Debt (continued)

Long-term debt consists of bonds payable. The following is a summary of the changes in long-term debt of the Authority for the fiscal year.

	Balance June 30, 2021	Proceeds	Payments	Balance June 30, 2022	Due within One Year
Barnsdall 2011B	\$ 590,000.00	\$ -	\$ 590,000.00	\$ -	\$ -
Prue 2012	955,000.00	-	300,000.00	655,000.00	-
Barnsdall 2018	4,410,000.00	-	-	4,410,000.00	765,000.00
Bonds Payable	<u>\$ 5,955,000.00</u>	<u>\$ -</u>	<u>\$ 890,000.00</u>	<u>\$ 5,065,000.00</u>	<u>\$ 765,000.00</u>

D. Lease Purchase Agreement (Sub Lease)

The Authority has a commitment with the Barnsdall Public Schools to lease the additions and improvements to the school buildings. Future minimum rental commitments for operating leases as of June 30, 2022, are as follows:

The rent is due in equal semi-annual installments on or before the 1st of September and March, ending September 1, 2031.

Year Ended June 30,	Rent
2023	\$ 3,000.00
2024	3,000.00
2025	3,000.00
2026	3,000.00
2027	3,000.00
2028-2031	10,500.00
Total	<u>\$ 25,500.00</u>

The Authority has a commitment with the Prue Public Schools to lease the additions and improvements to the school buildings. Future minimum rental commitments for operating leases as of June 30, 2022, are as follows:

The rent is due in equal semi-annual installments on or before the 1st of September and March, ending September 1, 2025.

II. Detailed Notes Concerning the Funds (continued)

D. Lease Purchase Agreement (Sub Lease) (continued)

Year Ended June 30,	Rent
2023	\$ 3,000.00
2024	3,000.00
2025	3,000.00
2026	1,500.00
Total	<u>\$ 10,500.00</u>

Total rent due from all Schools are as follows:

Year Ended June 30,	Rent
2023	\$ 6,000.00
2024	6,000.00
2025	6,000.00
2026	4,500.00
2027	3,000.00
2028-2031	10,500.00
Total	<u>\$ 36,000.00</u>

E. Capital Lease Agreement (Ground Lease)

The Authority has entered into an agreement to lease the additions and improvement to the school buildings. Such agreements are, in substance, purchase (capital leases) and are reported as capital lease obligations. Upon fulfilling the lease obligation, the Authority agrees to execute and deliver to the Schools a deed or bill of sale, as appropriate, to convey legal title to the additions and improvements to the school buildings.

Barnsdall Public Schools:

The following schedule presents future minimum lease payments for the Series 2018 Bonds as of June 30, 2022:

Osage County Educational Facilities Authority
Notes to the Financial Statements
For Year ended June 30, 2022

II. Detailed Notes Concerning the Funds (continued)

E. Capital Lease Agreement (Ground Lease)

Year Ended June 30,	<u>Total Requirements</u>
2023	\$ 1,034,250.00
2024	-
2025	1,034,250.00
2026	-
2027	1,034,250.00
2028-2031	2,068,500.00
Total	<u><u>\$ 5,171,250.00</u></u>

Prue Public Schools:

The following schedule presents future minimum lease payments for the Series 2012 Bonds as of June 30, 2021:

Year Ended June 30,	<u>Total Requirements</u>
2023	\$ -
2024	340,750.00
2025	-
2026	340,750.00
Total	<u><u>\$ 681,500.00</u></u>

Total lease payments from all Schools are as follows:

Year Ended June 30,	<u>Total Requirements</u>
2023	\$ 1,034,250.00
2024	340,750.00
2025	1,034,250.00
2026	340,750.00
2027	1,034,250.00
2028-2031	2,068,500.00
Total	<u><u>\$ 5,852,750.00</u></u>

III. Other Information

A. Economic Dependence

During the fiscal year ended June 30, 2022, the Authority reported rental lease revenues of \$6,000 pursuant to its lease agreement with the Barnsdall Public School and Prue Public School. This amount represents 100% of the Authority's total operating revenues.

B. Subsequent Events

Management has evaluated subsequent events through the date of this report, which is the date the financial statements were available to be issued and have determined that no additional information needs to be added to the financial statements.